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TODAY: SPORTS

Americans Awake to 'Voluntary' Estate Tax

By Christopher Drew and David Cay Johnston
New York Times Service

NEW YORK — Martin Shenkman, who is 40, knew that by the time he and his wife died and their house in Teaneck, New Jersey, went to their three children, hundreds of thousands of dollars in taxes would be owed before the children could inherit it.

But as a tax lawyer, he also knew a way around those taxes.

Using a popular strategy, the Shenkmans are giving the house to their children, the oldest of whom is 11, in exchange for permission to live there rent free for 25 years.

It is all perfectly legal. In fact, Mr. Shenkman advises clients to take the sophisticated steps necessary to pull it off. And it is typical of a host of techniques that are being promoted aggressively so that affluent Americans can transfer much of their wealth to heirs while avoiding or deferring taxes.

A decade after Congress closed some of the biggest loopholes in the tax on wealth handed down from one generation to the next, the federal estate tax has become so easy to avoid that some experts believe that much of it is voluntary, at least for those who start planning early.

"I think the estate tax is voluntary in two senses — how much you eventually need to pay within a family and when you pay it," said William Zabel, a New York estate lawyer and the author of "The Rich Die Richer and You Can Too."

"I wouldn't say all of it, but you can eliminate much of it," he said.

Techniques for circumventing the estate tax vary widely; some of them are extraordinarily elaborate and creative. All together, they form a broadening pattern of tax avoidance that Congress sought to halt only 10 years ago, and they include these strategies:

- Corporate executives have found ways to pass millions of dollars' worth of stocks, and options to buy stocks, to their children without owing estate taxes.
- Investors are putting every sort of property, from vacation homes to stock portfolios, into partnerships for their children so that they are valued for tax purposes at 30 percent to 70 percent less than what they would be worth in the marketplace. Any rise in the property's value escapes the estate tax, and a separate gift tax is reduced.
- A Long Island, New York, widow has bought a $60 million share of her children's inheritance, shielding the proceeds from estate taxes and allowing the family to pay less to the government.

Tax counselors long insisted that nothing could be done after the death of a benefactor to reduce es-

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Fujimori Holds Firm Against Rebels

With Lima Embassy in the Dark, Crisis Drags Into 5th Day

By Gabriel Escobar
Washington Post Service

LIMA — With the crisis at the Japanese ambassador's residence here in its fifth day and showing no signs of ending soon, Peruvians and other observers Sunday found themselves debating whether President Alberto Fujimori's first comments on the tense situation encouraged or discouraged dialogue.

The estimated 370 hostages still being held by members of the Tupac Amaru Revolutionary Movement spent the night literally in the dark, waiting for the government to restore light and telephone service. Although the government denies it has done so, the cutting off of power and other services to the residence is one of the tactics it is apparently using to isolate the guerrillas.

In what has become one of the few ways of assessing the extent and nature of the discussions between the two sides, hostages hung a sign out a window Sunday hinting that the release of some of the captives was being held up because of the cutoff. Until late Friday, when gasoline ran out, electricity had been supplied by a generator on the premises. Signed "The Hostages" and written in Spanish, the message read: "No Move Group for Lack of Fuel."

A freed hostage describes the fear inside the compound. Page 6.

[Prime Minister Ryutaro Hashimoto of Japan predicted Sunday that the crisis would not be resolved quickly, Reuters reported from Tokyo. "A considerable time would be needed to resolve it," he said.]

The International Committee of the Red Cross, while describing the situation as controlled and calm, said the lack of utilities — especially electricity — was a new worry. Michel Minnig, the organization's chief delegate here, was so worried about the effect the lack of power would have on the captives that he spent the night at the residence.

Cutting off the utilities was an early indication of the government's hardline stance, which was not publicly addressed to any extent until Mr. Fujimori's speech late Saturday. While the president seemed to offer a way out of the crisis, he also angrily denounced the hostage-taking and pointedly reminded the gunmen that a military resolution had not been eliminated.

"My proposal is concrete: that the

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Richard Ellis/Agence France-Presse

Newt Gingrich, the House speaker, faces ethics committee sanction.

Republicans Close Ranks On Gingrich Ethics Lapse

Media Blitz Seeks To Minimize Charges On Misuse of Funds

By John E. Yang
Washington Post Service

WASHINGTON — House Republican leaders said Sunday that they wanted the House to vote on punishing Newt Gingrich on Jan. 7, the same day lawmakers are to vote on making him the first Republican re-elected speaker in 68 years.

The House ethics committee will recommend a sanction for the violation of House rules Mr. Gingrich acknowledged Saturday after more than two years of steadfast denial of wrongdoing.

The chairman of the House Republican Conference, John Boehner of Ohio, said the leaders hoped the ethics panel could agree on a punishment "and bring it to the floor on opening day and get it behind us."

He spoke on a television interview as part of a media offensive launched Saturday by Republican leaders to try to diminish the significance of the violations the speaker admitted. The goal also appears to be to minimize punishment.

Mr. Gingrich admitted the infractions detailed in a 22-page statement by the ethics panel's investigative subcommittee. It concluded that he had failed to ensure that charity-financed projects — a college course he taught and a televised town hall meeting — would not violate federal tax law. The statement — essentially an indictment — also said he had given the ethics committee untrue information when it investigated.

"I accept responsibility for this and I deeply regret it," he said. He also said the violations were not intentional.

By agreeing that he did not act "at all times in a manner which shall reflect creditably on the House of Representatives," Mr. Gingrich avoided an embarrassing fact-finding hearing before the full House Standards of Official Conduct Committee. The 10-member bipartisan committee now must deliberate on sanctions behind closed doors and present its recommendation to the full House.

The Republican leaders' offensive appeared to have succeeded in securing Mr. Gingrich's re-election as speaker. No Republican lawmaker has spoken against him, and some whose support had been wavering publicly backed him.

"The Republicans will stand as one on Jan. 7 because there is no reason not to," said Representative Peter King, Republican of New York. "The ethics committee did not come up with any reason that would justify a 'no' vote in my mind."

The full ethics committee of five Republicans and five Democrats has great leeway in determining Mr. Gingrich's punishment. Its rules allow it to suggest any sanction "determined by the committee to be appropriate."

Republican sources said Mr. Gingrich had been seeking a reprimand, which the ethics panel's rules say is appropriate "for serious violations."

Many Democrats are pressing for censure, which is second in severity only to expulsion and could lead to his being stripped of the speakership.

Appearing on another televised interview, the House majority leader, Richard Armey, said censure would not be "appropriate for the errors that were made."

But Representative Martin Frost disagreed. He was a leading defender of Jim Wright, a fellow Texas Democrat, who resigned in disgrace as House

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Armando Franca/The Associated Press

HEADING HOME — Rwandan refugees, who have spent two years in camps in Tanzania, heading home at dawn Sunday. The UN refugee agency, which previously had avoided forced repatriations, has come under fire for supporting the expulsion of the refugees. (Page 7)

Hard Years Are Coming for Japan's Automakers

By Velisarios Kattoulas
International Herald Tribune

TOKYO — Booming exports and profits at some Japanese carmakers suggest that the gloom has lifted from the world's second-largest auto industry after five hardscrabble years.

Japanese carmakers are regaining their lost competitiveness abroad, even while many other Japanese industries have still to reclaim their trade prowess of the 1980s boom years. Sales have surged in North America, Europe and Asia.

Yet, there is little cheer among Japanese auto executives. Japan's car industry, which relies on its stagnant and increasingly cut-throat domestic market for most of its profits, appears poised for a shake-up that could sharply cut the number of Japanese carmakers.

The main reason for strong exports and profits is the yen. Its 40 percent fall against the dollar over the last 18 months has lifted the yen-denominated value of overseas sales sharply.

The yen's weakness has also snapped the trend of shrinking sales and earnings at Toyota, Japan's biggest car maker, and at most of its 16 other makers, including Nissan, Honda, Mazda and Suzuki.

But with the exception of Toyota, which with cash reserves of 2.4 trillion yen ($21 billion) is seen surviving even the ugliest scrap in Japan's overcrowded car market, Japan's carmakers face a period of consolidation that could cut their numbers by a third in just a few years.

Even Honda, the most successful Japanese carmaker of the year, is seen at risk.

"You are looking at manufacturers scrambling for a piece of a more slowly growing pie," said Edward Brogan, auto industry analyst at Salomon Brothers

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AGENDA

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Algerian Forces Kill 21 Islamists

ALGIERS (AFP) — Security forces have killed 21 armed Islamic militants in a weekend of violence near the capital, the newspapers Liberte and l'Authentique reported Sunday.

In one incident, 18 members of a rebel faction of the Armed Islamic Group were killed Saturday at Haouch El Mekhfi, near Meftah, 30 kilometers (18 miles) southeast of Algiers in a five-hour gun battle. They were hiding out in a bunker dug under greenhouses.

In the United States, meanwhile, an Algerian Islamist seeking political asylum is being sued for human rights violations. (Page 7)

Life on Mars? Maybe Not

New Research Casts Doubt on Meteor Data

By John Noble Wilford
New York Times Service

NEW YORK — The Martians of summer are facing a hard winter. Their very survival is in question.

New research has cast a cold shadow over the sensational claims made in August that a meteorite that fell on Antarctica carried chemical and possibly fossil evidence of primitive life on early Mars — microbial Martians.

The possibility revived speculation about life on other worlds, an idea ever latent in science and the human imagination, and seemed to provide additional impetus for projects to explore the neighboring planet, including two American spacecraft now on their way.

But *independent* tests conducted since the meteorite announcement, scientists said, have shown that the supposed evidence for Martian life can be explained away in nonbiological terms. What had been detected in the potato-shaped rock could well be neither animal nor vegetable, but strictly mineral.

The results of one study, researchers concluded, invalidated three of the four lines of evidence offered in support of the claim that the meteorite contained traces of microorganisms on Mars from long ago, when the planet was a warmer, wetter place.

It is unclear, they said, whether the fourth clue — the presence of the kind of organic molecules that are common on Earth and are often related to biological activity — can stand alone as evidence of past life.

But another study raised suspicions about that, too. It suggested how contaminants from the Antarctic ice could have misled scientists into thinking they had found the first sign of Martian organic molecules.

John Kerridge, a planetary scientist at the University of California at San Diego who is familiar with both studies, said, "The biological explanation for the meteorite is becoming less and less plausible."

The scientists raising the doubts spoke in apologetic tones about the implications of their research. One of them, Harry McSween Jr., of the University of Tennessee at Knoxville, said, "It makes me feel like the Grinch stealing everybody's Martians."

Mr. McSween and others said their findings did not rule out microbial Martians. They emphasized that while the meteorite clues might be suspect, there remained other intriguing circumstan-

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Newsstand Prices

Andorra	10.00 FF	Lebanon	11,3,000
Antilles	12.50 FF	Morocco	16 Dh
Cameroon	1,600 CFA	Qatar	10.00 Riels
Egypt	£E 5	Réunion	12.50 FF
France	10.00 FF	Saudi Arabia	10.00 R.
Gabon	1100 CFA	Senegal	1,100 CFA
Greece	350 Dr.	Spain	225 PTAS
Italy	2,800 Lire	Tunisia	1,250 Din
Ivory Coast	1,250 CFA	U.A.E.	10.00 Dirh
Jordan	1,250 JD	U.S. Mil. (Eur.)	$1.20

In Istanbul, Most Muslims Eagerly Await Santa



Itsuo Inouye/The Associated Press

SANTA TRAFFIC WARDENS — Bellboys in Santa Claus outfits placing cones to thwart illegal parking outside a Tokyo hotel Sunday.

By Stephen Kinzer
New York Times Service

ISTANBUL — Santa's rosy cheeks and broad smile are beaming from store windows, trees have been bought and decorated, the strains of "Jingle Bells" and "Silent Night" waft through the air in cafes and shops, and children wait anxiously for the moment when they can unwrap their gifts. All is as it should be at this time of year.

Or maybe not. Istanbul, after all, is one of the world's great Islamic cities, and the population here is more than 95 percent Muslim. For centuries this was the seat of the Muslim Caliphate, throne of Ottoman sultans whose word was law to believers everywhere.

Since the birth of modern Turkey seven decades ago, the country has been steadily adopting Western habits. Especially in big cities like Istanbul, taboos against liquor and unveiled women have long since fallen away, and attendance at mosques is spotty. But few signs of the headlong rush by Turkey into the worldwide consumer culture are more jarring than its embrace of Christmas. The manager of a chic clothing store reflected on this as he carefully wrapped a present, curling the ribbon and sticking a small Santa Claus doll onto the colorful paper.

"Strict Islamic people don't like it, but that's only a small minority," he said. "The rest think this is something great. It's fun for everyone, and it's good for business. We don't connect it to Christianity or Jesus. As far as I know, it's not much of a religious holiday anywhere in the world."

The differences between Christmas celebrations here and those in Christian countries are minor and hard to spot at first. There are no scenes of Jesus in a manger, although cherubic golden angels adorn many trees, and the exchange of gifts usually takes place on New Year's Eve rather than on Dec. 25. Other than that, the holiday season is now celebrated in Istanbul much as it is in Vienna or New York.

Longtime residents say this trend emerged about a decade ago and has become stronger each year. It is en-

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Will the Nation Become a Desert? / **Export Ban Has Little Effect**

Illegal Logging Saps the Lifeblood of Cambodia

By Seth Mydans
New York Times Service

PREK PHNOV, Cambodia — Late at night, slow-moving trucks rumble past a military checkpoint here on the northern outskirts of Phnom Penh, hauling giant logs from deep in the forests of central Cambodia.

With evident government collusion, the logs — some of them destined for illegal shipment abroad — are taken to the banks of the Tonle Sap River, to lumberyards owned by Thai, Taiwanese and Japanese companies.

The logs are part of this struggling nation's biggest industry: the illegal export of huge amounts of timber, a business that King Norodom Sihanouk has warned could turn Cambodia into a desert in the next century.

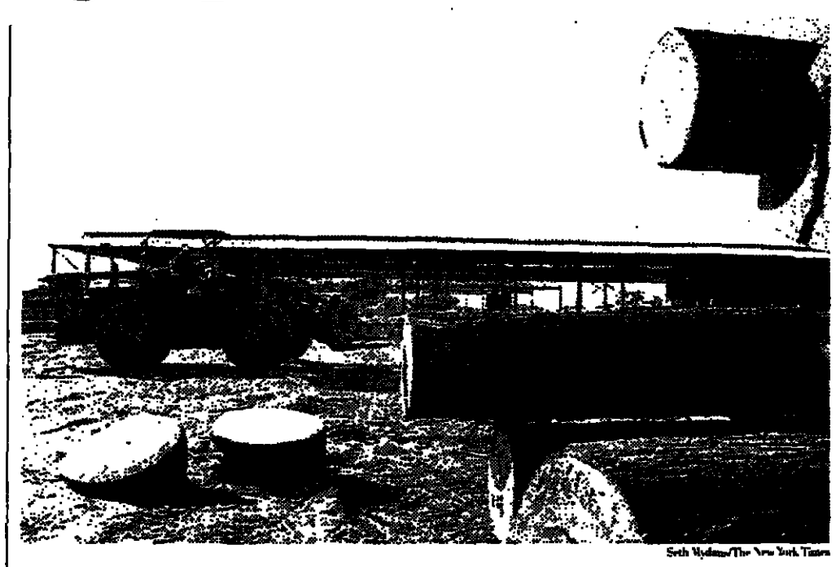
Devastated by three decades of war, and wracked by political infighting and widespread corruption, Cambodia today is a free-for-all of illegal activity. Environmentalists say that both sides in the country's long-running civil war, as well as high-ranking government and military officials, appear to be involved in the logging business.

They say the unchecked harvesting of trees, which has stripped the nation of half its forest cover since 1970, has escalated in the past few years, in large part to finance both the government and the Khmer Rouge, the insurgency it has been fighting.

Forests that once covered 70 percent of the country now range over about 35 percent, said the London-based environmental lobbying group Global Witness. Much of the loss has come in the last five years.

Since the start of this year, logging has been officially banned in Cambodia, and an export ban has been in place since April 1995. But the bans have had little effect.

"They have been utterly disregarded," said Charmian Gooch, a director of Global Witness. Cambodia's high-grade tropical hardwoods continue to make their way around the world, sometimes marked as having come from Thailand. They are used in everything from inlays and trinkets to furniture and high-grade home construction. And this year, the group said, the country's two prime ministers, Hun Sen and Prince Norodom Ranariddh, signed secret concessions that effectively appear to sell off virtually all of Cambodia's remaining forests. "Ministers and officials of the Royal Cambodian government are heavily implicated in the destruction of Cambodia's forests," the group charged in a report.



Seth Mydans/The New York Times

Logs from Cambodia's forests being prepared for sale at a lumberyard in Prek Phnov. Unchecked harvesting of trees, which has stripped the nation of half its forest cover since 1970, has escalated in the past few years.

ACCORDING to the document, there are few places in the world where "such a large portion of a country's forests have been sold in such a short time, and in such great secrecy, to foreign companies."

More than most countries, Cambodia is sustained by its forests. "They are at the center of the ecosystem," said Sam Rainsy, a former finance minister who is now an opposition politician. "They are like a sponge, soaking up the water in the rainy season and releasing it in the dry season. Already we are seeing an acceleration of erosion, flooding and the siltation of rivers and lakes. We are beginning to starve in the drought and drown in the floods."

The international financial institutions that support half the government's annual budget, about $650 million, are warning that illegal logging could jeopardize continued financing.

In the short term, financial experts say, the practice is bringing influential officials huge amounts of money that is not reflected in the budget the donor groups are supporting. In the long run, the practice is squandering the country's primary natural resource, destroying its forests, in exchange for as little as one-fifth of their value.

In May the International Monetary Fund suspended a $20 million installment of a $120 million three-year loan, expressing concern about the government's unchecked logging and the secrecy that surrounds it.

A decision to cut off the loan entirely could cause "an erosion of confidence of the international community, which in turn would have serious consequences for Cambodia's economic program," said Hubert Neiss, director of the fund's Central Asia department.

At a meeting in Tokyo in July with the World Bank and other international donors, the two Cambodian prime ministers pledged personally to put in place measures to halt illegal logging.

BUT in an interview in Phnom Penh this week, Patrick Alley, a director of Global Witness, said little appeared to have been done.

"We see a complete lack of initiative by the Cambodian government on their commitments," he said. "Why should the international community fund half of the Cambodian budget while they are squandering what is virtually their only natural resource?"

Government officials insist that the logging concessions signed recently by the two prime ministers are only agreements in principle, and that they are doing everything they can to end uncontrolled logging.

Though large portions of the Khmer Rouge have defected to the government side in recent months, they still maintain control over timber-smuggling routes across the Thai border. Much of the rest of the country is prey to bandits and corrupt military officers.

A regional forestry official in the southern town of Kampot, Chuorn Sara, recently talked of his difficulties in controlling illegal logging.

"It is not easy to shut them down," he told a local newspaper, "as armed guards are always on hand to protect the illegal loggers as well as the sawmill operators."

In Kompong Cham — the source of some of the logs passing through the Prek Phnov checkpoint — a local official said the demand for timber was so great that illegal loggers had begun cutting down the trees in rubber plantations.

King Sihanouk has spoken out repeatedly in seeming despair over the situation. "If this deforestation does not stop," he said earlier this year, "Cambodia will be, alas, a desert country in the 21st century."

FBI Keeps Up A Search for Criminal Act In TWA Blast

By Don van Natta Jr.
New York Times Service

NEW YORK — While aviation investigators try to pinpoint a mechanical cause for the crash of TWA Flight 800, nearly 75 agents of the FBI are continuing their methodical search for evidence of a bomb blast or missile attack on the Boeing 747.

Although no hint of a sinister act has emerged from the Atlantic, despite the recovery of more than 95 percent of the jet's wreckage, criminal investigators insist they are far from ruling out a criminal act. They say they still want to recover more pieces of the shattered jet and are pursuing several new theories about how an act of sabotage, without leaving any evidence, could have brought down the plane.

For example, several senior investigators have insisted in the last week that a sophisticated bomb or missile could have exploded on board and left hardly a trace. As an example, the investigators mention missile warheads that essentially self-destruct, vanishing in a cloud of titanium powder without leaving bits of themselves in the wreckage.

But even some of their own colleagues characterize the FBI's remaining theories as exotic ideas that are, at best, very remote possibilities.

A sore spot has been the FBI's insistence on expanding the reconstruction of the wreckage to look for subtle patterns of damage that might point to a missile hit, according to several FBI and safety board investigators.

On this point, there has even been internal friction within the FBI, with some of its own scientists siding with the safety board, according to investigators at both agencies. At a recent meeting of law enforcement officials working on the crash, one FBI scientist said that the enlarged reconstruction — at an estimated cost of $650,000 — would be a potential waste of taxpayers' money.

The skeptics and believers in the remaining criminal theories agree on one thing: As difficult as it has been to find evidence of a criminal act, it will be even harder to eliminate even the slimmest chance that a sophisticated bomb or missile destroyed the jet on July 17, killing all 230 people on board.

"There will always be some theory that fits the lack of evidence," said one federal law enforcement official, who has become convinced in recent weeks that the cause of the crash was a mechanical failure.

Even James Kallstrom, the assistant director and lead criminal investigator, acknowledged last month that a bomb or missile was "less likely" because more than 95 percent of the jet had been recovered with no hard evidence.

"We owe the American people a thorough look at all possibilities, even if some might be more remote than others," Mr. Kallstrom said.

"The possibility of this being a criminal act or an act of terrorism," he said, "is still something that the law enforcement team cannot rule out or rule in, and that is principally because there are too many pieces of the airplane missing that we have not been able to look at."

Another law enforcement official, speaking on condition of anonymity, put it this way: "While there may not be anything to be gained if we continue, there is nothing to be lost, either. Good judgment dictates that we continue."

■ DNA Testing for Body Parts

The Suffolk County Medical Examiner has agreed to relinquish remaining unidentified body fragments from TWA Flight 800 to a laboratory that specializes in DNA technology, The New York Times reported. The medical examiner, Dr. Charles Wetli, made the decision after frustrated relatives pressured him to agree to the tests.

The bodies of 15 of the 230 people who died when the jetliner exploded in midair last summer have not been recovered.

Up and Coming: A Brave New World of Oldsters

By Barbara Crossette
New York Times Service

UNITED NATIONS, New York — Joseph Chamie is a demographer who pores over statistics for hints of the world to come.

But he also sees the future in a new kind of cap on medicine bottles, in wider car doors, more off-the-rack eyeglasses and shorter risers on stairs in many new houses.

All are designed to make life easier for an aging population, says Mr. Chamie, director of the Population Division of the UN economic and social policy research department.

"The reality of demography being destiny is correct, and the business community is more sensitive to this," he said.

Mr. Chamie recently brought together demographers, economists, social scientists and policy planners from around the world to talk about a new concept in population — the emergence of a distinct category of people 80 and older.

They discussed what this means in areas as diverse as health care, consumer marketing and voting behavior.

The UN conference was cosponsored by the U.S. Census Bureau and the American Association of Retired Persons, whose officials were eager to put their concerns in a global context.

Demographers call the 80-plus group the "oldest old" and say it is one of the fastest-growing population segments around the world.

Traditionally, demographers have divided populations into three major groups, with variations from country to country: people under 20, the working-age population from about 20 to 60 or 65 and older, and the post-60 or post-65 segment, largely retired people.

But the 80-plus group is now seen as needing to be reckoned with separately.

The debate over how to repair the Social Security system in the United States is mirrored in other countries' concerns, especially in Europe, over the need to adjust benefits now paid out over decades.

But other problems may be unique to some societies. What, for example, happens when each Chinese child, the result of a one-child policy, grows up to find herself or himself without a social security system but with four elderly grandparents and two parents to care for?

In Singapore, the government has tried to solve the problem of lonely old age by giving financial incentives to younger people who buy apartments close to their parents and by setting aside 5 percent of public housing for multigeneration extended families.

"It is clear that populations are aging around the world," said Samuel Preston, director of the Population Studies Center at the University of Pennsylvania, who took part in the UN meeting.

"The reason they are aging is that both fertility rates and mortality rates are declining."

Older people vote in different ways and may have more conservative views than younger people, experts say.

"Older people in this country are less likely to support school bond issues," Mr. Preston said in an interview. "They will turn our attention away from children."

Antonio Golini, professor of demography at Rome University, said Italy faced a similar political quandary — but with an added twist.

Teachers' unions are blocking reductions in the training and hiring of teachers and the closing of schools when they are no longer needed, creating an economic distortion.

"Italy is the only country in the world in which the elderly population exceeds the young," Mr. Golini said.

"Soon we will have more elderly than people of working age. This is unsustainable."

Mr. Golini said the reduction of the working-age population would play into future migrations of jobs and labor.

In 1950, he said, India and Europe had about the same number of working-age people: 160 million.

By 2050, he predicts, the European Union will have 150 million people of working age and India will have 870 million.

No immigration laws will be adequate to deter these large populations in search of work.

In some countries — Bangladesh is an example — politicians have begun to talk of demanding a right to migrate in search of work.

Mr. Golini said jobs would also be moving in greater numbers to those countries with large working-age populations.

Demographers disagree about whether a solution to problems created by a reduced working-age population is a later retirement age and the hiring of more older people. Mr. Golini thinks those ideas are unrealistic.

"The young are recruited because they are more flexible, better educated and cheaper," he said. "We can talk about postponing retirement to 70 or 71, but the fact is that the market is pushing away people in their 50s and 60s."

Greek Farmers Lift Blockades For Holidays

Compiled by Our Staff From Dispatches

ATHENS — Militant farmers on Sunday lifted the road and rail blockades that have crippled Greece and let land transport move freely for the first time in 24 days.

It was a major victory for the Socialist prime minister, Costas Simitis, who had refused to yield to the farmers' demands and said his government had no more money to give.

The farmers' barricades, made up of thousands of tractors parked on highways and railroads, caused transport chaos and inflicted damage to the economy estimated at more than $100 million.

The ragtag army of 10,000 tractors, which had cut off whole regions of Greece, vanished within hours of the decision by the main farmers' committee in the central Thessaly region to call off the protest. The farmers' coordinating committee said it would meet again after the Christmas holiday to review the action and to decide whether to renew the roadblocks.

The farmers' protest had been crumbling in many regions in recent days.

The final collapse came when the farmers in Thessaly who began the protests and where the most militant had held out to the last, voted Sunday to lift their barricades.

For Mr. Simitis, who has imposed harsh economic reforms since his election in September, it was the latest in a series of recent victories over angry workers and farmers.

(Reuters, AFP)

Cuba Plans Law to Counter Helms-Burton

Reuters

HAVANA — Cuba, the target of a U.S. law that seeks to curb foreign investment on the Communist-ruled island, began passage Sunday of legislation to counter the Helms-Burton Act and to protect existing and future investors.

The legislation was approved by three permanent commissions of the National Assembly. The full body will ratify the law when it meets Tuesday.

Article One of the proposed legislation declares "null and void" any claim made under Helms-Burton, which threatens penalties against foreign investors in Cuba judged to be "trafficking" in expropriated, formerly American-owned assets.

The Cuban legislative response follows similar steps by Canada and Mexico, which are strong opponents of Washington's moves to tighten the U.S. economic embargo on Cuba.

So far, executives of a Canadian and a Mexican company have been barred entry from the United States under Helms-Burton.

The new Cuban legislation authorizes Havana to take all necessary measures to protect existing and future foreign investors on the island. It also declares illegal any kind of assistance given to the U.S. government in its attempts to enforce Helms-Burton.

The document restates the Cuban government's willingness to negotiate fair compensation for U.S. citizens whose Cuba holdings were nationalized after the 1959 revolution, as long as such claims are not pressed under the Helms-Burton law.

Cuba maintains that compensation should be addressed as part of wider negotiations "on the basis of mutual respect and equality" between Havana and Washington.

But the Cuban law also declares the right of Cuba's government and citizens to claim compensation for damages caused by U.S. policies and actions against the island, including the U.S. economic embargo and any acts of sabotage or violence deemed the responsibility of the United States.

TRAVEL UPDATE

Towns Flooded in Southern Spain

SEVILLE (AP) — After a week of heavy rains in southern Spain, the Guadalete River rose above its banks, inundating nearby towns in the Seville and Cadiz provinces, closing highways and forcing some 1,000 to 1,500 people to evacuate, authorities said Sunday.

In Cadiz, rescue workers are searching for a person whose car was swept into the river by flood waters early Sunday.

ValuJet canceled all its flights to Dallas and Fort Myers, Florida, over the weekend because of problems with a charter running the routes. The cancellations affect about 3,000 passengers booked for flights from Sunday to Jan. 6. They will get full refunds and a ticket for another flight, the airline said. *(AP)*

Mayor-elect Luiz Paulo Conde took to the streets last weekend to ask Rio residents to turn in their guns as a first step in stopping the city's increasing violence. "We are going to disarm Rio and lower the crime rate," Mr. Conde said while handing out bumper stickers for the "Disarm Rio" campaign that begins next week. *(AP)*

This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

MONDAY: Japan, San Marino.

TUESDAY: Andorra, Austria, Brazil, Bulgaria, Canada, Czech Republic, Denmark, Finland, France, Germany, Guatemala, Iceland, Italy, Ivory Coast, Liechtenstein, Luxembourg, Macau, Mexico, Netherlands, Norway, Portugal, Singapore, Slovakia, Spain, Sri Lanka, Sweden, Switzerland, Vatican City.

WEDNESDAY: *All countries except:* Afghanistan, Albania, Algeria, Armenia, Azerbaijan, Bahrain, Bhutan, Bosnia-Herzegovina, Burma, China, Cuba, Egypt, Ethiopia, Georgia, Iran, Iraq, Israel, Japan, Kazakhstan, Kuwait, Kyrgyzstan, Libya, Macedonia, Maldives, Mauritania, Moldova, Mongolia, Morocco, Nepal, Oman, Qatar, Russia, Saudi Arabia, Serbia, Somali, Tajikistan, Thailand, Tunisia, Turkey, Turkmenistan, Ukraine, United Arab Emirates, Yemen.

THURSDAY: Australia, Austria, Bahamas, Barbados, Belgium, Belize, Bermuda, Botswana, Britain, Bulgaria, Canada, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, Germany, Ghana, Gibraltar, Greece, Hong Kong, Hungary, Iceland, India, Iran, Ireland, Italy, Jamaica, Kenya, Latvia, Liechtenstein, Lithuania, Luxembourg, Macau, Malawi, Namibia, Netherlands, New Zealand, Nigeria, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, South Africa, Spain, Sweden, Switzerland, Tanzania, Uganda, Zimbabwe.

FRIDAY: Botswana, Canada, Hungary, India, Ireland, Pakistan.

SATURDAY: Costa Rica, Nepal, South Korea.

Sources: J.P. Morgan, Reuters, Bloomberg.

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French Defuse Bomb

Reuters

MARSEILLE — French police defused a three-kilogram dynamite bomb in a plastic bag in a central post office in Marseille on Saturday. Security forces are on alert for possible attacks by Algerian Muslim extremists and Corsican separatists.

WEATHER

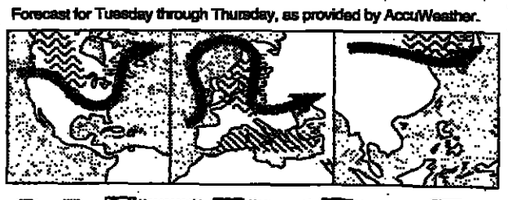
Europe

	Today High C/F	Today Low/W C/F	Tomorrow High C/F	Tomorrow Low/W C/F
Algarve	16/61	11/52 sh	18/61	11/52 s
Amsterdam	1/34	-5/24 s	-4/25	-8/22 pc
Ankara	3/37	3/37 r	12/53	4/39 s
Athens	20/68	17/62 c	21/70	13/55 pc
Barcelona	14/57	5/46 c	11/52	6/43 pc
Belgrade	8/46	7/44 r	8/46	0/32 r
Berlin	-3/27	-9/16 pc	8/16	-12/11 pc
Brussels	2/35	-4/25 pc	-3/27	-8/22 pc
Budapest	-1/31	-1/31 sn	3/37	-5/24 sn
Copenhagen	-3/27	-9/16 pc	-8/18	-9/16 pc
Costa Del Sol	18/61	9/48 sh	18/61	11/52 s
Dublin	6/43	5/41 r	6/43	3/37 sh
Edinburgh	4/39	3/37 sh	4/39	1/34 pc
Florence	15/59	8/46 sh	11/52	-1/31 sh
Frankfurt	-4/25	-9/16 pc	-6/18	-13/9 pc
Geneva	10/50	4/39 sh	4/39	-6/22 sh
Helsinki	-11/13	-15/5 sf	-12/11	-15/5 pc
Istanbul	12/53	11/52 r	17/62	12/53 pc
Las Palmas	21/70	17/62 pc	23/73	18/64 pc
Lisbon	13/55	7/44 c	13/55	7/44 pc
London	7/44	4/39 r	4/39	1/34 sh
Madrid	13/55	3/37 sh	8/46	3/37 pc
Mallorca	13/55	8/46 c	10/50	6/43 pc
Milan	7/44	3/37 r	5/41	-7/20 r
Moscow	-13/9	-18/0 sn	-17/2	-19/-2 pc
Munich	5/41	0/32 r	0/32	-13/9 sn
Nice	18/64	9/48 c	12/53	2/35 sh
Oslo	-8/18	-10/15 sf	-8/22	-8/18 s
Paris	6/43	-1/31 r	-1/31	-6/22 pc
Prague	-4/25	-7/20 sn	-7/20	-16/4 sn
Reykjavik	4/39	3/37 c	7/44	3/37 pc
Rome	21/70	11/52 c	15/59	3/37 sh
St. Petersburg	-11/13	-18/6 sn	-13/9	-16/4 pc
Stockholm	-7/20	-12/11 c	-9/16	-10/15 s
Strasbourg	6/43	1/34 r	1/34	-9/16 sn
Tallinn	-11/13	-15/5 sf	-12/11	-14/7 pc
Venice	9/48	5/41 r	7/44	-6/22 r
Vienna	-1/31	-3/27 sn	0/32	-10/15 sn
Warsaw	-7/20	-12/11 c	-9/16	-13/9 sn
Zurich	8/46	4/39 r	4/39	-9/16 r

Middle East

Abu Dhabi	35/79	14/57 pc	22/71	13/55 pc
Beirut	18/64	13/55 pc	22/71	16/61 pc
Cairo	22/71	12/53 s	24/75	15/58 pc
Damascus	14/57	7/44 pc	17/62	9/48 pc
Jerusalem	13/55	7/44 pc	17/62	9/48 pc
Luxor	27/80	7/44 s	26/79	9/48 pc
Riyadh	24/75	9/48 pc	29/66	9/48 pc

Forecast for Tuesday through Thursday, as provided by AccuWeather.



North America
A storm will bring rain to the region from Boston to Washington, D.C., Christmas Eve into early Christmas Day, followed by colder weather late Christmas and Thursday. Truly frigid weather will prevail in Edmonton, Calgary and Winnipeg this week.

Europe
A series of storm systems will bring rainy weather Tuesday through Thursday to Rome, Athens and Istanbul, where it will also be chilly. Another storm will probably bring some snow amid a cold week to Stockholm, Berlin and Warsaw. Partly sunny and cold Tuesday in London.

Asia
A few showers Tuesday in Tokyo, then windy and chilly Wednesday and Thursday. Cold Tuesday through Thursday in Seoul, despite partial sunshine. Rather cloudy and cool Tuesday and Wednesday in Hong Kong, and there could be occasional rain. Rain likely Wednesday in Taipei.

North America

	Today High C/F	Today Low/W C/F	Tomorrow High C/F	Tomorrow Low/W C/F
Anchorage	-8/18	-14/7 pc	-6/22	-14/7 pc
Atlanta	19/64	9/48 pc	17/62	3/37 pc
Boston	9/48	4/39 pc	10/50	-1/31 r
Chicago	4/39	2/29 r	3/29	-11/13 c
Dallas	18/64	4/39 s	14/57	3/37 s
Denver	2/35	-9/16 pc	4/39	-6/22 pc
Detroit	7/44	2/35 r	3/37	-8/18 c
Honolulu	29/79	19/66 s	27/80	19/66 pc
Houston	24/75	11/52 pc	21/70	9/48 pc
Los Angeles	18/64	8/46 pc	22/71	8/46 pc
Miami	27/80	19/66 pc	27/80	18/64 pc
Minneapolis	-9/16	-16/4 sn	-10/15	-18/0 pc
Montreal	1/34	1/34 sn	4/39	-1/31 sn
Nassau	28/77	17/62 pc	29/77	17/62 pc
New York	9/48	6/43 sh	11/52	0/32 r
Orlando	26/79	14/57 s	28/79	13/55 pc
Phoenix	18/64	7/44 pc	21/70	9/48 s
San Fran.	13/55	7/44 pc	14/57	8/46 pc
Seattle	4/39	2/35 sh	7/44	4/39 sh
Toronto	6/43	2/35 r	6/43	-1/31 sh
Vancouver	3/37	2/35 sh	7/44	6/43 sh
Washington	13/55	7/44 sh	14/57	0/32 r

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thundershorms, r-rain, sf-snow flurries, sn-snow, i-ice. W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. © 1996

Asia

	Today High C/F	Today Low/W C/F	Tomorrow High C/F	Tomorrow Low/W C/F
Bali	33/91	22/71 pc	33/91	23/73 pc
Bangkok	25/82	18/64 pc	31/88	21/70 pc
Beijing	8/46	2/35 s	9/48	-5/24 s
Bombay	31/88	19/61 s	31/88	17/62 pc
Calcutta	24/75	11/52 s	25/79	13/55 pc
Chiang Mai	29/84	18/61 pc	31/88	19/66 pc
Colombo	28/82	21/70 pc	29/84	22/71 pc
Hanoi	22/71	16/59 pc	22/71	14/57 pc
Ho Chi Minh	29/82	24/75 r	32/89	23/73 c
Hong Kong	20/68	14/57 pc	19/66	13/55 pc
Islamabad	23/73	4/39 s	21/70	4/39 r
Jakarta	29/84	23/73 c	29/84	24/75 pc
Karachi	31/88	14/57 pc	27/80	12/53 pc
K. Lumpur	29/84	23/73 t	32/89	24/75 c
K. Kinabalu	28/82	23/73 t	28/82	24/75 pc
Manila	28/82	21/70 c	29/84	21/70 c
New Delhi	25/77	6/43 s	24/75	7/44 pc
Phnom Penh	27/80	22/71 sh	29/79	23/73 t
Phuket	28/82	18/64 pc	31/88	21/70 pc
Rangoon	28/82	18/64 pc	31/88	21/70 pc
Seoul	3/37	-3/27 s	8/43	-3/27 pc
Shanghai	6/46	1/34 s	11/52	3/37 s
Singapore	29/82	23/73 t	29/82	24/75 pc
Taipei	18/64	13/55 pc	18/64	13/55 pc
Tokyo	9/48	2/35 c	11/52	1/34 s
Vientiane	21/70	15/59 pc	22/71	13/55 pc

Africa

Algiers	21/70	8/46 t	19/66	9/48 s
Cape Town	22/71	13/55 pc	25/77	15/58 pc
Casablanca	14/57	10/50 r	19/66	10/50 s
Harare	28/84	9/48 s	28/79	10/50 pc
Lagos	31/88	22/71 s	31/88	23/73 pc
Nairobi	29/84	13/55 s	29/79	13/55 pc
Tunis	27/80	13/55 s	19/66	9/48 pc

Latin America

Buenos Aires	31/88	18/66 pc	32/89	21/70 pc
Caracas	29/84	23/73 c	30/86	23/73 pc
Lima	23/77	18/66 pc	24/75	18/64 pc
Mexico City	20/68	5/41 pc	19/66	6/43 pc
Rio de Janeiro	28/82	21/70 pc	27/80	21/70 pc
Santiago	30/86	12/53 s	29/84	11/52 pc

Oceania

Auckland	19/66	11/52 s	19/66	14/57 pc
Sydney	28/82	22/71 pc	28/82	23/73 c

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THE AMERICAS

A Little Older, but a Lot Wiser, New Clinton Team Wades Into 2d Term

By Todd S. Purdum
New York Times Service

NEWS ANALYSIS

WASHINGTON — Four years ago, the *rap on Bill Clinton's staff* was that it was too young, too empty of experience and too full of itself to be much use in running the nerve center of American politics.

"Singlehandedly, I bear some blame for that," George Stephanopoulos, the adviser whose youthful, mop-haired countenance became the public face of the White House early on, said last week.

"It just became too easy to caricature."

Mr. Clinton's aides were never quite as green as their collective reputation would have it, but they had their shortcomings, took their knocks and then some. Now, as his second-term staff takes shape, one thing is clear: It is full of people with plenty of experience as aides to a president — this president.

From the new chief of staff, Erskine Bowles (who spent 16 months as a deputy chief of staff under Leon Panetta), to both of his new deputies and on through virtually every senior post, the top guns of the second term started out as pop guns in the first. They are still young, with an average age of barely 40. But they are marked less by any stamp of ideology or personality than they are by tempered, tested allegiance to the boss.

Mr. Bowles, a multimillionaire businessman from North Carolina who made friends with Mr. Clinton as a fund-raiser for his 1992 campaign and then as head of the Small Business Administration, said he wanted "a team with sharp minds, but not sharp elbows."

But he has already used his own elbows, having insisted on the not-quite-bloodless departure of Mr. Panetta's two deputies, Harold Ickes and Evelyn Lieberman, as a condition of taking the job.

Mr. Panetta came aboard in 1994 after Mr. Clinton decided that his old childhood friend, Thomas McLarty, an energy company executive, ruled with too soft a hand.

Mr. Bowles's own hallmark is organization. In 1995, he helped Mr. Clinton carve out more time to think and read and write in the wake of the Republican takeover of Congress, and helped Mr. Panetta tighten access to the Oval Office. There is ample precedent for such skills being prized in second terms.

"There is certainly a move to place people in power who are less ideological and much more pragmatic," said Carl Sferrazza Anthony, a historian and writer in Washington. "With a definitive amount of sand left in the hourglass, presidents tend to be much more pragmatic in wanting to get the boat moving."

As an example, Mr. Anthony cited Ronald Reagan's second-term shift away from hawkish foreign-policy advisers like Alexander Haig toward pragmatists like Lawrence Eagleburger, who encouraged Mr. Reagan's desire to burnish his legacy by making peace with the Soviet Union.

Certainly, pragmatists have risen on the new team. Mr. Ickes and Mr. Stephanopoulos, often seen as the twin pincers on Mr. Clinton's streak of liberal conscience, will both be gone, replaced in part by Rahm Emanuel, the brass-tacks tactician who encouraged Mr. Clinton's moves to the center on crime and welfare policy.

But at least part of the Ickes-Stephanopoulos portfolio — outreach to Congress, Democratic constituency groups and the press — will be handled by Douglas Sosnik, who has been political director and will now take the higher rank of counselor to the president.

A former aide to Senator Christopher Dodd of Connecticut with solid liberal credentials of his own, Mr. Sosnik is also known as the aide who beat the president at late-night games of hearts on Air Force One.

Stephen Hess, a speechwriter in the Eisenhower administration who has watched White House staffs come and go as a scholar at the Brookings Institution, said changes were healthy.

"They made a lot of mistakes on our time, if you will," he said of the first-term staff. "Now they're veterans and they've sorted it out a bit, and they'll probably make other mistakes."

But Mr. Hess added: "Beginnings and endings are different. In the beginning, there's an accent and a need for creativity. You're producing policies, in a sense, from scratch. Eventually you need people to implement it, who know how to play the bureaucratic game."

In that sense, the verdict so far is mixed on Mr. Bowles and his team.

On paper, they do not quite match the collective Washington experience of Mr. Panetta and his deputies, and Mr. Bowles is almost painfully shy of public discourse, known to agonize for hours in advance of speeches.

Still, at a news conference last week he defended himself well against questioning as to why the chief of staff needed his own chief of staff.

"You know," Mr. Bowles said, speaking perhaps as much for Mr. Clinton as himself, "that's what every good executive does. They surround themselves with enough good people that they do the work and the work gets done on time and done right."

Debating Simpson's Custody Victory

By David Stout
New York Times Service

NEW YORK — O.J. Simpson's victory in his child-custody case reflected one judge's haste, some lawyers say. Or perhaps it reflected differences in legal philosophy between other states and California, where the law is weighted overwhelmingly in favor of the biological parent. Or maybe it was a reminder of the limitations of the law.

Those were the views of several lawyers in New York and Massachusetts who specialize in custody cases, hours after a judge in California gave Mr. Simpson full custody of his two children with Nicole Brown Simpson, 11-year-old Sydney and 8-year-old Justin.

Mr. Simpson was acquitted last year of murdering Mrs. Simpson and her friend Ronald Goldman. But in the custody case, lawyers for the children's maternal grandparents had argued that Mr. Simpson's record of spousal abuse made him an unfit parent; Mr. Simpson pleaded no contest to an abuse charge in 1990.

[The ruling, which led to the Saturday return of the children to Mr. Simpson's Los Angeles estate, is almost certain to help the former football star in his wrongful-death civil lawsuit that is in a two-week holiday recess, The Associated Press reported from Los Angeles.

[If jurors do not learn about the ruling while out of the courtroom, Mr. Simpson's attorneys or Mr. Simpson himself in testimony next month will surely tell them. "The custody decision can only be a badge of honor that he can symbolically wear," said Robert Pugsley, a Southwestern University law professor. "It suggests, 'Hey, how bad could I be?' "

[The ruling by Judge Nancy Wieben Stock suggested, in fact, that the children would thrive in Mr. Simpson's care. "The children share a relationship with their father that appears to be strong, positive, and healthy, with powerful psychological bonding," she wrote.]

Norman Sheresky, a Manhattan lawyer who has handled divorce and custody cases, many of them high-profile, for more than 40 years, said he was not surprised at the decision.

"The guy is innocent under the law," Mr. Sheresky said. "The court has got to assume that he didn't kill his wife. So he's an innocent man."

But Betty Levinson, a Manhattan lawyer who has dealt with matrimonial and custody cases for 20 years, said that the fact that Mr. Simpson was acquitted "shouldn't weigh at all" on whether he is a good parent.

Mr. Sheresky also wondered why the California judge had not waited until there was a verdict in the "wrongful death" civil case against Mr. Simpson.

If he is found liable in the deaths of Mrs. Simpson and Mr. Goldman under the lower standards of proof that apply in civil courts, the children will have been awarded to a father whom a civil jury has branded a killer, even though a criminal court jury did not convict him of murder, Mr. Sheresky said. The judge said in her ruling, "Any verdict rendered by the civil jury would not be binding in the custody proceeding."

Carol Witt, a lawyer in Nantucket, Massachusetts, noted that a custody case she handled required that such battles in her state must take into account spousal abuse.

Ms. Witt represented a woman whose estranged husband was accused of battering her repeatedly over the years and who was seeking control of the couple's son. After a lower court awarded custody to the husband, Ms. Witt appealed, and last May the state's highest court sent the case back to the lower court, ordering it to consider the effects of domestic violence on the child, regardless of whether the child had actually witnessed the abuse.

The philosophy behind the ruling, which must now be followed in all Massachusetts custody cases, is that domestic violence by its nature has an impact on children as well as on the adult victim, Ms. Witt said.

"It's a basic human right to be free of domestic violence," she said.

Rosemarie Haigazian, a lawyer in Martha's Vineyard, Massachusetts, who has specialized in domestic-relations law, conceded that if a Massachusetts man were suspected of killing his wife but never convicted of it, there would be no "absolute barrier" to custody.

Big Snag at Social Security?

Computers Are Stumped by Non-Anglo Names, Report Says

By Ralph Vartabedian
Los Angeles Times Service

WASHINGTON — The Social Security Administration's computer system threatens to shortchange millions of future retirees because it is making serious errors in recording the income of many wage earners — particularly women, Latinos and Asian Americans — according to an internal report.

The report, issued by the agency's district headquarters in San Bernardino, California, asserts that the Social Security computer system is confounded by names that do not conform to a traditional Anglo format. The agency, it says, is failing to make an adequate effort to remedy the problem.

"Our findings indicate millions of beneficiaries may be receiving less than they have paid for," the report warns. "For some, especially those in locales such as Puerto Rico, the Dakotas and inner cities, the loss may be very large."

The agency has $234 billion worth of wage reports — some dating to 1937 — that it cannot match with individual accounts. The wage reports are used to compute benefits.

Until now, the agency has said that minorities and women have been affected no more than anyone else and has hotly denied that its policies or procedures are discriminatory.

Officials, arguing that they are doing a good job overall, say the $234-billion gap represents just a small portion of the wage reports the agency has handled since the program was started in 1935.

But the report details for the first time numerous cases in which the agency's computers did not know what to make of surnames with spaces (such as de la Rosa) or what to do with surnames that fall somewhere other than the end of a name (Park Chong Kyu and Carlos Romero Barcelo).

Women are the subjects of a large portion of the errors because they often do not notify the agency when they change their last name after marriage.

The report, a copy of which was obtained by the Los Angeles Times, says Puerto Ricans face serious problems because of the practice on the island of giving children the mother's maiden name as part of the surname. In addition, the report says American Indians, Arab Americans and converts to Islam face problems, since their names often use unconventional constructions.

"SSA needs to improve our responsiveness to religious and social realities by easing the burden on converts to Islam, members of blended families and all others who change their names at work," the report says.

The report, written by Jim Hodgson, district director for San Bernardino County and chief of the agency's six branch offices, was recently submitted to the agency's commissioner, Shirley Chater. She declined to be interviewed, as did other agency executives.

Phil Gambino, a spokesman, said the agency was doing vastly better at recording wages than in the past and denied that unusual spellings or spaces in the names of minorities caused serious problems. He added that the issue did not reflect a computer or software defect.



Lucy Pemoni/The Associated Press

FLUFFY — Clarence Russell of Kings Beach, California, clearing several feet of snow from his driveway after a storm in the Sierra Nevada.

Away From Politics

• **There is "a very real possibility"** that the Pentagon will never be able to determine with any accuracy the number of troops who were exposed to chemical agents in the one verifiable release known to have occurred at the end of the Gulf War, an independent panel of scientists has reported. *(WP)*

• **In a closely watched media case** involving the use of hidden cameras and undercover reporters, a federal jury in Greensboro, North Carolina, has decided that ABC producers trespassed and committed fraud when researching a "Primetime Live" segment in 1992 that suggested a supermarket chain sold spoiled meat. The panel found that officials of the chain, Food Lion Inc., were defrauded when the producers submitted fake résumés to get jobs in the meat department of a store owned by the chain. *(NYT)*

• **Time magazine's 1996 Man of the Year** is Dr. David Ho, an AIDS researcher who pioneered a multidrug treatment for HIV infection that has shown promise in beating back the deadly disease. *(AP)*

• **Seven officers in the Chicago police department's tactical unit** have been indicted by a federal grand jury on charges of stealing and extorting more than $65,000 from "criminals" in their west-side district. They might have gotten away with it, except the criminals were fellow Chicago police department and FBI undercover agents. *(WP)*

Mrs. Onassis Was Rich — but Not That Rich

By David Cay Johnston
New York Times Service

NEW YORK — Jacqueline Kennedy Onassis's estate was worth far less than was widely estimated at the time of her death, and her two children will get most of her assets, leaving very little for charity, according to the state attorney general's office.

The former first lady's executors valued her estate at $43.7 million, court documents show, though the prices some of her property brought at auction have prompted an IRS audit to determine whether its true value was closer to $73 million.

In any case, the amount falls well short of the estimates of $100 million or more in many news reports after her death in 1994. So far, less than $500,000 of the estate has gone to a nonprofit organization, the John F. Kennedy Library near Boston.

Mrs. Onassis's will left her two children valuable properties, ranging from a Martha's Vineyard retreat to stocks. But it also gave them the option of letting some or all of these properties pass to a charitable trust, which would have made annual donations to charities for 24 years and then dissolved, passing the money on to Mrs. Onassis's grandchildren.

The device of the charitable trust was essentially a way for Mrs. Onassis's children, Caroline Kennedy Schlossberg and John F. Kennedy Jr., to allow some of her assets to pass to her grandchildren without paying estate taxes. But there was no requirement in the will that any money go to the trust, and the children apparently have determined that it makes more financial sense for them to pay the estate taxes and invest the balance.

Many publications and outside analysts had assumed that Mrs. Onassis's real estate and personal property would go to her children and that the remainder of her estate would go to the charitable trust.

Based on estimates that the estate would be worth $100 million or more, there was widespread speculation that charities would receive as much as $192 million and that the grandchildren would inherit perhaps $98 million in 2018, when the trust was to have dissolved.

Many publications cited the charitable trust feature in Mrs. Onassis's will as a shrewd way to reduce estate taxes while passing money on to grandchildren. Fortune magazine called her will "a model of smart estate planning."

The principal issues in the audit were whether the auctioned items would be taxed as part of the estate — at a federal tax rate of 55 percent — or as capital gains on the children's property, in which case the tax would be 28 percent.

POLITICAL NOTES

Clinton White House Feared Offending Sensitive Donors

WASHINGTON — A month after learning about suspicious donations to the first family's legal defense fund, six senior White House aides met with the fund's director and expressed concerns about offending donors if the money was returned, officials confirm.

The high-level meeting on May 9, which is likely to draw the interest of investigators, included the president's most trusted adviser, Bruce Lindsey, and Hillary Rodham Clinton's chief of staff, Margaret Williams, the officials said.

The purpose was to discuss $460,000 that had been delivered to the defense fund on March 21 by Charles Yah Lin Trie, a businessman and friend of the president's. The money was eventually returned because of suspicions about its origins.

Others at the briefing by Michael Cardozo, the fund's director, included the deputy chiefs of staff, Harold Ickes and Evelyn Liebermen, and the White House counsel, Jack Quinn, according to the officials, speaking anonymously.

Mr. Lindsey is the president's closest confidant. Ms. Williams's presence reflects the continuing interest of Mrs. Clinton, who was among the first people at the White House informed of the questionable donations.

According to one official, Mr. Cardozo made clear at the May 9 meeting that trustees for the defense fund felt that, "out of an abundance of caution," the proper course would be to return the contributions.

While some of the donations were suspicious because they were given in sequentially numbered money orders by supposedly different people, others appeared proper.

The White House "was anxious that the donors might feel the money was being returned simply because they were Asian-Americans," said one person familiar with the meeting. *(AP)*

Quote/Unquote

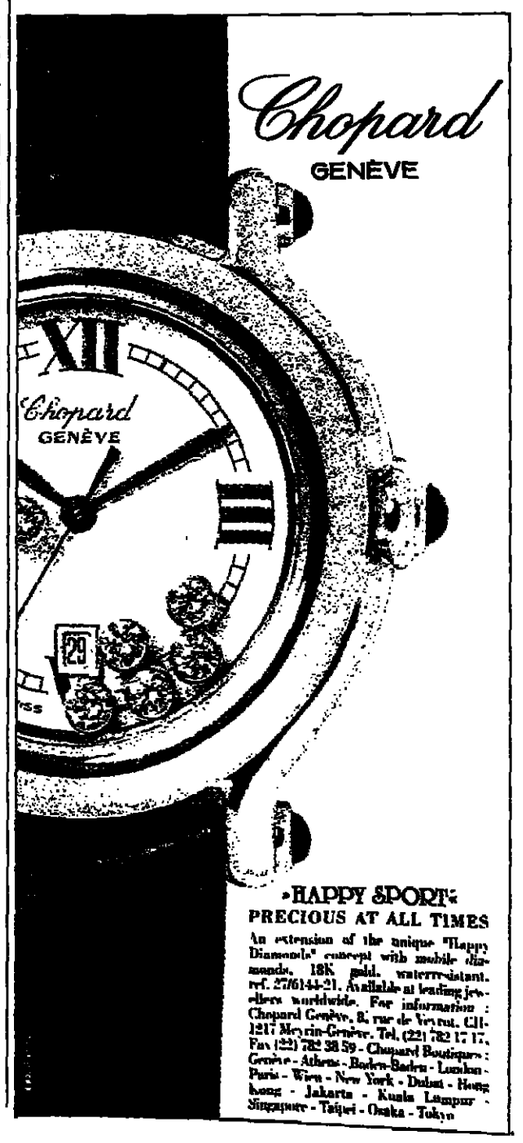
Jim Wright, a Democratic speaker of the House who resigned following the filing of ethics charges by Newt Gingrich, the same man who admitted this weekend that he had violated ethics rules: "I don't get any joy out of his misery." *(LAT)*

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ASIA/PACIFIC

Beijing Ignores Outrage In Hong Kong Choices

60 Pro-China Legislators Named to Panel

By Keith B. Richburg
Washington Post Service

HONG KONG — China's Communist rulers named 60 pro-Beijing stalwarts to a new legislature for Hong Kong, ignoring worldwide cries of outrage, threats of court action and angry, egg-throwing protesters. The interim panel will replace the democratically elected council that China has pledged to scrap when it takes control here next year.

The naming of the provisional legislature Saturday had long been expected. But China's decision to go ahead with the move in the face of strong condemnation from Britain, the departing colonial power, and the United States marks the clearest sign yet that Beijing intends to impose its stamp on Hong Kong despite international criticism, and even at the risk of unnerving local residents and disrupting the territory's political and economic stability.

The legislature was chosen in balloting by a 400-member selection committee appointed by China, which met across the border in the southern Chinese city of Shenzhen. It is expected to rewrite anti-subversion laws for Hong Kong that the outgoing British government had modified; toughen laws on freedom of information; and act as a kind of shadow government, meeting on Chinese soil and drafting bills that will take effect here after China formally assumes sovereignty July 1.

[Criticism of the Beijing-backed Provisional Legislative Council was malicious and unreasonable, the official *Xinhua* press agency said Sunday in a commentary carried by Chinese newspapers, Reuters reported from Beijing. "With the support of the majority of Hong Kong people, the Provisional Legislative Council will surely fulfill its duties and contribute to the smooth transition and long-term prosperity and stability of Hong Kong," Xinhua said.]

The 60 members of the interim body were chosen from a group of 130 pro-China politicians and businessmen in Hong Kong who put themselves forward as candidates. Hong Kong radio reported that 33 members of the current legislature, which was elected in September 1995, will be in the provisional one. Twenty-six incumbents did not run, and one was defeated.

Ten of the winners — including Elsie Tu, Peggy Lam, Cheng Kai-nam, Tam Yiu-chung and Tsang Yok-sing — were losing candidates in the 1995 election, which was the first time the Hong Kong legislature was fully elected. Candidates from such pro-China parties as the Democratic Alliance for the Betterment of Hong Kong and the Liberal Party also were chosen — nine from the former and 10 for the latter. The Progressive Alliance won five.

The largest and most popular party in Hong Kong, the Democrats, refused to participate in a process it has labeled a sham. It also condemned sitting legislators who agreed to participate in the new body.

Foreign Minister Qian Qichen struck a defiant tone as he opened the session in Shenzhen: "What is regrettable is that Britain has lacked the courage to face reality," he said in a hall bedecked with red curtains and Communist Party trappings. Mr. Qian also said that Britain's condemnation showed only that the outgoing colonial power was helpless.

China's actions, and Mr. Qian's remarks Saturday, prompted an unusually sharp exchange between senior British and Chinese diplomats, and a particularly scathing attack from Chris Patten, the colony's British governor, who called the procedures in Shenzhen "stomach-churning" and "a bizarre farce."

"I think what Mr. Qian should be asking is whether some people in Hong Kong feel helpless, if they have this sort of institution produced by this farcical procedure foist upon them," Mr. Patten said.



Chau Cortes 4th/Reuters

Ann Tse-Kai, right, a deputy chairman of the preparatory committee, conferring with Foreign Minister Qian Qichen during voting for Hong Kong's interim legislature in Shenzhen.

Bhutto's Husband Remains in Custody

Judge Gives Police Until Thursday to Produce Proof of Murder Link

Compiled by Our Staff From Dispatches

KARACHI — A Pakistani court on Sunday ordered the husband of former Prime Minister Benazir Bhutto held until Thursday but turned down a police request to extend detention for two weeks in connection with the murder of Miss Bhutto's estranged brother, Murtaza, court sources said.

Asif Ali Zardari was rearrested Thursday and charged with murder in connection with the September slaying Murtaza Bhutto.

Judge Rashida Farouqi, who originally ordered the authorities to produce evidence against Mr. Zardari by Sunday, gave them an extension but warned she would free him if they were unable to produce evidence at Thursday's hearing.

Mr. Zardari's lawyer, Farooq Naik, said the court gave the extension overruling his objections.

"They cannot prove anything against me," a weary-looking Mr. Zardari said after the hearing, before being whisked away in a heavily armed police convoy.

Mr. Zardari added that his lawyers had yet to file an application for his release on bail.

"It's all right," he said. "I'm used to jail now."

Murtaza Bhutto's Lebanese-born widow, Ghinwa, now chief of a breakaway faction of Miss Bhutto's Pakistan People's Party, has accused Mr. Zardari, former home minister Naseerullah Babar, former chief minister Abdullah Shah and the police of conspiring the Sept. 20 killing of her husband in a police shootout near his Karachi home. Mr. Zardari told a magistrate Saturday that he had been falsely implicated in the murder case of a person he had always respected and that he feared the police would poison him.

Mr. Naik said the court, on his request, had ordered a thorough check of Mr. Zardari's food because of a "serious threat" to his life.

Mr. Zardari was first arrested after the Nov. 5 ouster of Miss Bhutto's government. A court overruled that detention last week.

He spent more than two years in jail on a variety of charges, including corruption, extortion and murder, after Miss Bhutto's first government was thrown out in 1990, but was later acquitted on all counts. *(AFP, Reuters, AP)*

■ Defeat Conceded in Corruption Battle

Pakistan's interim government has conceded defeat in its battle against political corruption among thousands of candidates registered to contest February's general election, Agence France-Presse reported from Islamabad.

Prime Minister Malik Meraj Khalid said his caretaker administration had not found enough proof to act against corrupt politicians, as Saturday's registration deadline for the Feb. 3 election passed.

Addressing the Lahore High Court Bar Association on Saturday, the prime minister said corruption cases had been registered and some top officials arrested, but courts had released many for lack of evidence.

Major Taiwan Parties Will Discuss Changes

The Associated Press

TAIPEI — Taiwan's major political parties open talks Monday on a range of reforms, including proposals to give President Lee Teng-hui new powers.

In the first meeting of its kind since 1990, Mr. Lee's Nationalists and the two main opposition parties are to spend six days discussing changes in the political system, economic development and relations with Beijing. Scholars and business leaders will attend, as well as politicians.

The Democratic Progressive Party and New Party have both attacked Nationalist proposals to give the president power to dismiss the legislature and to remove the right of lawmakers to veto the president's choice of prime minister.

BRIEFLY ASIA

Indonesia Says It Will Probe Allegations of Rights Abuses

JAKARTA — The Indonesian government said Sunday that it would look into a report by a human rights group alleging that security officials are leading abusers of rights.

"If people say that, we will investigate whether it is true or not," Susilo Sudarman, coordinating minister of political and security affairs, was quoted by the state Antara press agency.

A report by the Center for Human Rights Studies, released Thursday, said that of 196 recorded rights violations in Indonesia this year, 71 were committed by members of the police force.

University chancellors were second on the list, with 23 recorded cases of rights violations. Indonesian universities frequently prohibit students from staging demonstrations and censor their publications.

The alleged abuses included bans on various political, cultural and media activities, as well as on speeches and demonstrations. *(AFP)*

Foes of Rangoon Tally Arrests

RANGOON — Burma's military authorities rounded up 64 members of Daw Aung San Suu Kyi's opposition National League for Democracy following student demonstrations this month, a senior party official said Sunday.

Tin Oo, the league's co-vice-chairman, said that Daw Aung San Suu Kyi was still under "virtual house arrest" because of the blockade of her house and restrictions on her movement.

The Nobel Peace laureate has not left her residence on University Avenue for more than two weeks, while a blockade of the road either side of her house has been in place since the start of the month.

Tin Oo said that of the 64 league members picked up since Dec. 3, when the student demonstrations started, about 10 have since been released. *(AFP)*

Bangladesh Prison Riot Kills 5

DHAKA — Security forces opened fire and used tear gas, water cannon and a bulldozer to storm a prison in Bangladesh on Sunday, crushing a revolt by inmates in fighting that left at least five dead, police said.

More than 200 other prisoners and nearly 100 policemen were injured when security forces raided the prison in Jessore, crashing through prison gates and a barricade erected by inmates before rounding up about 2,700 mutineers. The raid ended the weeklong uprising, the last of four that broke out across the country in the past week. *(Reuters)*

'Women Issue' Bothers Taleban

KABUL — The treatment of women in Afghanistan is a stumbling block to better relations with the West, a senior minister of the Taleban movement acknowledged Sunday.

"We know that the main problem between us and the outside world is the issue of women," said Sher Mohammed Abas Stanakzai, acting deputy foreign minister for the militia, which controls most of Afghanistan, including Kabul. He said foreigners invariably were "bothered" about women's rights, particularly concerning education and employment. *(AFP)*

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EUROPE

Serbian Group Sets Up 'Shadow' Governments

The Associated Press

BELGRADE — Opposition leaders introduced a new weapon Sunday in their struggle against President Slobodan Milosevic — shadow governments for dozens of municipalities.

Shortly after the Union of Free Cities and Municipalities of Serbia was formed, about 100,000 protesters began marching through Belgrade. It was the 33d straight day of demonstrations against Mr. Milosevic and his decision to annul election results in dozens of towns and cities won by the opposition.

The opposition on Saturday was buoyed by comments from officials with an international fact-finding mission, who said there were problems with the Nov. 17 local elections.

Former Prime Minister Felipe Gonzalez of Spain, who led the mission of the Organization for Security and Cooperation in Europe, told reporters the delegation went into Belgrade with an impression there had been electoral problems. "Our perception now is that an effort is needed in order to overcome this," he said before leaving Belgrade on Saturday. "There is a confirmation of the initial impression that we had. The problem does exist."

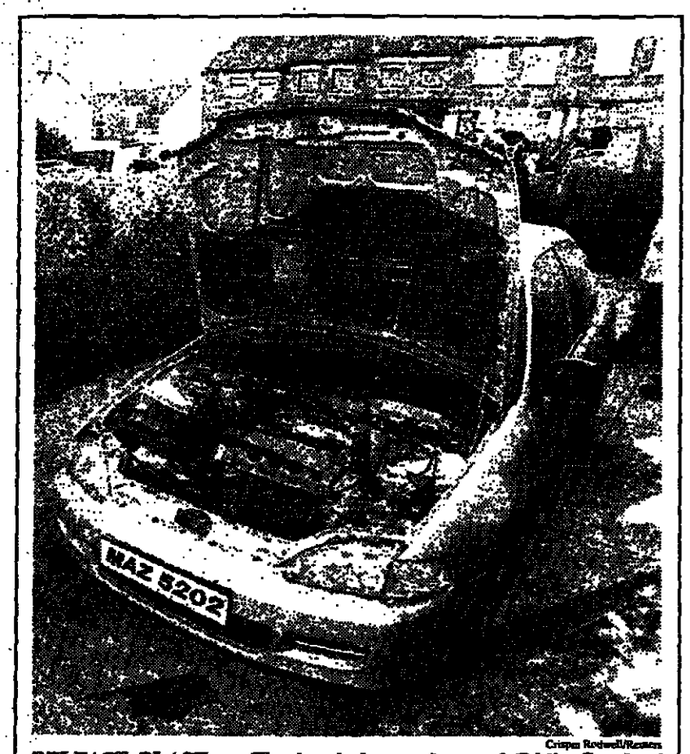
On Sunday, Vojin Dimitrijevic, an opposition official, said members of the international mission told him that Mr. Milosevic refused to meet Mr. Gonzalez before he left Belgrade. That indicates "that the authorities here do not like the way the commission is reasoning," he told the independent B 92 radio station.

A heavy rain Sunday did not appear to dampen the spirit of the protesters, who jeered and booed as they marched by state television to show their displeasure at its pro-Milosevic bent.

Announcing creation of the shadow governments, Zoran Djindjic, the opposition leader, denied that the anti-Milosevic camp was setting up a parallel system of authority, in what would be a direct challenge to the Serbian president.

He said the opposition coalition wanted to be "the regular authorities, not a parallel." He added that "this is going to be a network of municipalities" in which the coalition won, "with the aim of establishing a new standard for governing."

Mr. Djindjic also announced that the opposition planned to launch its own radio and television networks to challenge state-run outlets loyal to Mr. Milosevic. He said the outlets would broadcast illegally if they had to.



Crispin Rodwell/Reuters

BELFAST BLAST — The bomb-damaged car of Eddie Copeland sitting before his mother's house on Sunday. The blast, in which the anti-British militant was hurt, set off fears of renewed violence in Ulster.

Turkey and Iran Accords Prompt U.S. Reprimand

By Kelly Couturier
Special to The Washington Post

ANKARA — Turkey has signed several accords with Iran designed to bolster trade between the neighboring countries, ignoring a U.S. call to isolate Tehran.

The agreements, which aim to double trade between Turkey and Iran to $2 billion, were signed near the end of a four-day visit to Turkey by President Hashemi Rafsanjani of Iran that has caused concern in Washington.

The accords illustrated the warming of relations between Turkey and Iran that has been fostered by Turkey's Islamist prime minister, Necmettin Erbakan. Mr. Erbakan visited Iran shortly after taking office in June and concluded a $23 billion natural gas deal. Turkish officials said construction of a pipeline to carry the Iranian gas to Turkey will begin next year.

According to diplomatic sources in Ankara, the United States has expressed "very serious reservations" about the rapprochement between its NATO ally and Iran, which it accuses of funding terrorism directed against the North Atlantic Treaty Organization and Western targets.

"We strongly advise the Turkish government not to improve its relationship with Iran," a State Department spokesman, Nicholas Burns, said Friday in Washington, adding that the United States "didn't think much of the visit" by Mr. Rafsanjani to Turkey.

Under the accords signed in Ankara, Turkey and Iran grant each other most-favored-nation trading status, call for the encouragement and promotion of mutual investment, outline new cooperation in maritime trade, including the use of shipping lanes, ports and territorial waters, and agree to establish a joint chamber of commerce.

Mr. Rafsanjani was asked at a news conference Saturday whether the accords put Turkish companies at risk of U.S. sanctions, called for by the Iran and Libya Sanctions Act, if they invest more than $40 million in Iran's energy sector. The Iranian president replied, "We will not allow third parties to interfere with our relations."

"The United States might be angry with our agreements with Turkey, but this is their problem," Mr. Rafsanjani said. "America is against powerful countries in this region cooperating."

Remarking on the changes in Turkey under Mr. Erbakan, Mr. Rafsanjani commented that he had observed on his third trip here that "there is a real return to Islam" apparent in the country.

Croatian Chief Puts U.S. in the Doghouse

By David B. Ottaway
Washington Post Service

WASHINGTON — President Franjo Tudjman of Croatia, a key American ally in the volatile Balkans, has blocked a $400 million U.S. commercial aircraft sale to Croatia Airlines and bitterly attacked U.S. efforts to promote democratic reforms in his country, according to U.S. officials.

Mr. Tudjman earlier this month publicly accused the U.S. Embassy in Zagreb of encouraging opponents intent on unseating him and his Croatian Democratic Union in elections scheduled for next year.

Without providing details, the Croatian leader said he felt compelled to take action "more openly" against U.S. Ambassador Peter Galbraith, a onetime Tudjman supporter who increasingly has stressed a human rights agenda in Croatia.

Mr. Tudjman's actions underscored the fragile state of U.S.-Croatian relations at a time when U.S. and other peacekeeping troops are beginning a new, 18-month operation in neighboring Bosnia. Cooperation from the Croatian leader was critical in ending the Bosnian civil war last year and remains vital to the current NATO-led mission.

The most dramatic sign of Mr. Tudjman's disaffection, according to U.S. officials, was his decision Nov. 28 to buy a new fleet of planes from Airbus Industrie, the European consortium. The decision came little more than a week after senior Croatian officials had assured U.S. officials that they favored Boeing Co. Boeing had been negotiating for the sale of eight new 737 airliners, worth about $400 million. Croatia Airlines now plans to buy six Airbus planes for about $250 million, the officials added.

U.S. officials, speaking on condition of anonymity, cited two issues prior to the Airbus announcement that they believe angered Mr. Tudjman and influenced his decision. On Nov. 19, Mr. Galbraith went on the air at Radio 101, a Zagreb station, to answer listeners' questions, less than an hour after Croatian authorities had announced they were revoking the station's license for becoming "too politicized." During the session, Mr. Galbraith pointedly stressed U.S. support for independent media in Croatia.

The Croatian government crackdown on Radio 101 triggered vigorous public opposition, culminating in a demonstration by 100,000 protesters in downtown Zagreb. Mr. Tudjman accused the United States of organizing the event but has agreed to let the station retain its independent status.

The other issue is the disclosure of his treatment for cancer at Walter Reed Army Medical Center. The Croatian president left Washington for home five days before the Airbus decision and reportedly was furious at the U.S. government, which he blamed for leaking the news of his illness.

BRIEFLY EUROPE

Lebed Calls on Yeltsin to Quit

MOSCOW — The former Russian security chief, Alexander Lebed, called Sunday for President Boris Yeltsin to resign.

"The president is incapable of running the country," Mr. Lebed said in an interview with Moscow Echo radio. "It is time for him to set aside his functions and go and rest."

Despite the quintuple heart bypass operation carried out on Mr. Yeltsin on Nov. 5, Mr. Lebed said the president was "quite simply a very ill man."

"When there is a very ill man," Mr. Lebed said, "at his side there is a regent who is running the country. He is a man that no one has ever elected and that no one will ever elect. I am categorically opposed to that."

Mr. Lebed, who came third in the June presidential election but was dismissed in October by Mr. Yeltsin as national security chief, was alluding to Anatoli Chubais, the influential head of the presidential administration. *(AFP)*

Italy Parliament Passes Budget

ROME — The lower house of the Italian Parliament approved the government's 1997 austerity budget Sunday. The package is designed to cut 62.5 trillion lire ($42 billion) off next year's projected deficit in a last-minute bid to prepare Italy for the planned introduction of the single European currency in 1999.

The budget was approved, 316 to 2, with two abstentions. *(Reuters)*

Tajik Hostage Crisis Ending

DUSHANBE, Tajikistan — Two opposition representatives being held hostage in Tajikistan could be released imminently, the Itar-Tass news agency said Sunday. The two were the last of 23 hostages, including seven United Nations military observers, who were taken captive Friday by Tajik gunmen.

The other captives were released Saturday, except for a Bulgarian colonel who volunteered to stay with the two remaining hostages to help negotiate their release. *(AP)*

Bulgarian Government Quits

SOFIA — Prime Minister Zhan Videnov of Bulgaria, widely blamed for two years of economic hardship, announced Saturday at the opening of an extraordinary congress of the Socialist Party that he and his entire cabinet were quitting.

Bulgaria is suffering through its worst economic troubles since the end of Communist rule in 1989. *(AP)*



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INTERNATIONAL

Freed Hostage Tells of Fear as Peruvian Rebels Separated Captives

By Gabriel Escobar
Washington Post Service

LIMA — The fear felt by hostages inside the Japanese ambassador's residence here only intensified last week when the gunmen began a chilling process of "classification."

Alfredo Torres looked at the oddly impassive faces of the men around him and recognized many people. Each was influential beyond the confines of the crowded room: inside, each was now a commodity.

But Mr. Torres was lucky: he was one of the 38 hostages released Friday night by members of the Tupac Amaru Revolutionary Movement who since Tuesday have been holding an unknown number of hostages at the residence here.

Among those waiting nervously as the masked guerrillas weighed the hostages' worth were senior Peruvian police commanders and military figures — men accustomed to hunting and capturing terrorists, not being hunted and captured themselves. Many VIPs with sensitive backgrounds had thrown away their business cards and other identification in the chaotic first hours of captivity.

The more "valuable" hostages were being sent upstairs while others, Mr. Torres among them, were sentenced to the first floor. Some military men in civilian clothing were still silent, unidentified. Mr. Torres knew. But, somehow, so did the gunmen.

The guerrillas "made it very clear that if they did not speak they would be identified sooner or later and it would be much worse for them," Mr. Torres said.

Mr. Torres's comments, and those of other former hostages that were published or broadcast Saturday, have provided the most complete account so far of the tension inside the ambassador's elegant compound.

Perhaps more significant was news that the gunmen were probably being led by Nestor Cerpa Cartolini, the only leader of the Tupac Amaru movement who is not in prison. He is an almost legendary figure, having eluded an extensive manhunt for almost 15 years.

Mr. Torres and another released hostage, a congressman, Javier Diez Canseco, said that Mr. Cerpa was the man who had been signing the guerrillas' statements as "Comandante Huertas." Both men recognized him from photographs, and Mr. Torres said that of the 50 or so hostages held with him, there was little doubt that Mr. Cerpa was in command.

If that is true, the government is facing an adversary who is described by people familiar with the rebel group as a Marxist ideologue, a highly successful tactical commander and, principally, a man obsessed with the treatment of his fellow group members serving life sentences in Peru's notoriously punitive prisons.

After several conversations with Mr. Cerpa, Mr. Torres came away convinced that the only solution to the crisis lay in some kind of peace accord.

"They said they did not go in there seeking asylum," said Mr. Torres, referring to another possible solution to the standoff. And he said Mr. Cerpa was adamant that the group was determined to free its "comrades."

"You have been in here for a few days," Mr. Torres quoted Mr. Cerpa as telling the hostages. "Imagine our comrades who have been imprisoned for years."

For Mr. Torres and other hostages, such exchanges with the rebels were an unexpected turn in a tense drama that began Tuesday night, when the gunmen blew a hole through a wall in the back of the compound. Mr. Torres, director of one of Peru's leading opinion and market research companies, was standing on the terrace when the blast sent guests scattering.

"The most secure place seemed to be the residence, and people ran inside," he said. Although out of the line of fire between the gunmen and security details, the residence itself proved a trap, Mr. Torres said, because within minutes, no more than 20 gunmen controlled a crowd of people who outnumbered them about 20 to one.

It got worse when the police fired tear gas into the house, he said. That affected only the hostages because the gunmen put on gas masks. Later that night, women and the elderly were released, and that is when the "classification" began.

Mr. Torres said the diplomats — initially more than 30, including about a dozen ambassadors — were ordered upstairs along with the congressmen, jurists, military men, police commanders and others. That group numbered about 180. On the first floor with Mr. Torres, there were about 200 other people. Then, suddenly, he was released.

"The last thing Cerpa said was that the government was still intransigent, but that they wanted to show goodwill, and that we were free to say what we wanted," Mr. Torres said.

U.S. Envoy Tries to Revive Negotiations on Hebron

By Serge Schmemann
New York Times Service

JERUSALEM — The U.S. mediator for the Middle East, Dennis Ross, held an intensive round of meetings with Israeli and Palestinian officials Sunday in what he described as an attempt to "re-energize" the stalled talks on transferring control over most of Hebron to the Palestinians.

Immediately on his arrival Saturday night, Mr. Ross met in Jerusalem with Prime Minister Benjamin Netanyahu, after which he flew by helicopter to Gaza and met into the early morning with the Palestinian leader, Yasser Arafat.

Negotiators from both sides then held long talks Sunday. Officials said Mr. Ross intended to leave Monday.

"The important thing that I am trying to do is to re-energize the peace process and then be in a position to go back in a couple of days to report back to the president," Mr. Ross said.

There was no immediate indication whether he had succeeded in breaking the disagreements and distrust that have delayed a deal for almost three months since President Bill Clinton got an agreement from Mr. Netanyahu and Mr. Arafat at a Washington summit meeting to resolve the Hebron issue and to move forward the political element of the peace process.

At that time, an agreement on withdrawing Israeli troops from most of Hebron and transferring control over the city to the Palestinians seemed only to require a matter of days. The withdrawal was to have been completed last March but was delayed by the previous government after a series of terrorist attacks in Israel.

But the negotiations soon bogged down. First, the Israelis demanded the right for their troops to re-enter Hebron when they deemed it necessary, then Mr. Arafat demanded guarantees that Mr. Netanyahu was committed to continuing with the political process after a Hebron redeployment.

At the end of October, Mr. Ross left Israel, and the negotiations basically ground to a halt. American diplomats said the problem was increasingly Mr. Arafat's loss of trust in the Netanyahu government, especially after it announced new construction of Jewish settlements in the West Bank. In recent days, Mr. Arafat's aides have expressed concern that after the Israelis pull back in Hebron, Mr. Netanyahu will try to mollify rightist constituents by announcing further construction of settlements.

But before Mr. Ross's arrival, Secretary of State Warren Christopher said that Israel had made some significant moves and that it was time for Mr. Arafat to give.

Evidently in pique, the Palestinian leader reportedly told an Israeli visitor that he did not want Mr. Ross as mediator.

But after his late-night meeting with Mr. Ross, Mr. Arafat described the talks as "constructive and fruitful."

The specific issues remaining to be resolved reportedly include control over a street running past Jewish enclaves in the middle of the city, what arms Palestinian police will be allowed to carry and where, and the question of "hot pursuit" by Israeli soldiers into Palestinian areas.

The delays in the withdrawal have led to constant scuffles and confrontations in the center of Hebron between the 450 Jewish settlers who maintain enclaves there to assert their claim to the city and the 150,000 Palestinians, a sizable number of whom are supporters of the militant Islamic movement Hamas.

Weizman Stirs Storm in Israel

Agence France-Presse

JERUSALEM — President Ezer Weizman of Israel is known for speaking his mind in sometimes undiplomatic terms, but a recent anti-homosexual outburst by the elder statesman had critics calling Sunday for him to quit.

"Personally, I see homosexuality as a deplorable phenomenon, and I am nauseated by the subject," Mr. Weizmann told high school students Friday in Haifa, northern Israel.

"I don't understand a man who wants to change into a woman or a woman who wants to change into a man," he told the youths at the Reali school, one of Israel's most prestigious.

The 72-year-old former air force chief said he was disturbed that homosexuals were coming "out of the closet" and demanding equal rights with heterosexuals.

"This kind of thing didn't use to happen in the military," he said. "From society's point of view, it is an abnormal phenomenon, which is contrary to nature."

Mr. Weizman's remarks drew a storm of protests from leftist and civil liberties groups as well as the homosexual community, with some members of Parliament calling openly for his resignation.

"Weizman has shown once again that he is incapable of representing all Israelis," Naomi Chazan, a member of Parliament from the leftist Meretz Party, told Agence France-Presse.

Several hundred lesbians and homosexual men demonstrated outside Mr. Weizman's office in Jerusalem on Saturday to back calls for his resignation and in a bid to calm the uproar, the president invited gay leaders to meet with him on Monday.

In Valencia, 'El Gordo' Arrives With $252 Million



Manuel Bruque/The Associated Press

Miguel Ortiz, a Valencia bar owner, celebrating with his family on Sunday after winning Spain's "El Gordo" lottery prize. Hundreds of residents of Valencia shared the jackpot of the special Christmas ticket, which was worth 33 billion pesetas ($252 million), reputed to be the world's biggest lottery draw.

PERU: *No Progress in Talks*

Continued from Page 1

captors lay down their weapons before a commission of guarantors and facilitate the evacuation of all the hostages, without exception," the visibly angry president said in his first comments to Peruvians since the group took over the residence Tuesday night. "This way the possibility of the use of force will be ruled out."

"Fujimori agrees he has ruled out the use of force and accepts the importance of dialogue," the U.S. Embassy said in a statement, interpreting the speech in the most favorable light.

But others here were not convinced.

"I think it is a very hard speech that could lead to a tensioning in the dialogue," said Francisco Soberon, a human rights activist. On the use of force, he said Mr. Fujimori's proposal indicated that "that option has not been completely dismissed."

The president said: "They are pretending to dialogue by putting an assault rifle in the back of the neck of the hostages," adding that talks could not begin "while terror is used as a principal weapon."

While Mr. Fujimori did not rule out a negotiated settlement, his rejection of one of the principal demands — the release of imprisoned members of Tupac Amaru — was firm.

Before Mr. Fujimori's speech, the leader of the armed group, in his first extended broadcast since the takeover of the residence, promised to release more people and allowed two of the most prominent captives to transmit appeals for a negotiated end to the crisis.

The leader of the gunmen, Nestor Cerpa Cartolini, introduced himself at the start of his address via walkie-talkie, removing any lingering doubts about who was responsible for the attack. Referring to hostages whom he defined as "political" — among them Peruvian politicians, eight ambassadors and six American diplomats — Mr. Cerpa said their release "depended solely on the will of the government."

The two hostages who spoke, Foreign Minister Francisco Tudela of Peru and Ambassador Morihisa Aoki of Japan, both urged Lima to begin talks — the first public acknowledgment from either side that negotiations had not advanced.

Mr. Fujimori, in response, insisted that talks had begun and credited the release of 38 hostages Friday to his efforts.

Mr. Tudela said "there has been no act of personal violence against anyone" and described the captors as "well trained and well armed." Although he said none of the hostages were sick, Mr. Aoki contradicted him, saying some were "seriously ill" and in particular mentioning those who are Japanese.

■ Demonstrators Call for Talks

Tens of thousands of Peruvians marched through the streets in various cities Sunday demanding that the rebels free the hostages and calling for peaceful dialogue, Reuters reported from Lima.

The marchers sang the national anthem, waved the Peruvian flag and chanted: "Peace, peace. Freedom for the hostages."

MARS: *New Research Is Casting Doubts on Data From Meteorite*

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tial evidence suggesting that some forms of rudimentary life could have existed on Mars 3 billion to 4 billion years ago, and could still exist today in moist soil beneath the surface.

Earlier spacecraft revealed topography indicating that water must have once covered parts of the planet and could have created conditions favoring the emergence of life.

So far, the scientists who first saw in the meteorite "fossil remains of a past Martian biota," as they reported then in the journal Science, are not yielding an inch. They are studying the new research, they said, but could see no reason yet to revise or withdraw their interpretation.

Responding to the critics, David McKay, of the Johnson Space Center in Houston, a leader of the initial meteorite study, said: "We disagree with their interpretation, and we're basically not worried by all this. For one reason, we don't think they're looking at the same places in the meteorite."

Mr. McKay said that his group of scientists from the National Aeronautics and Space Administration and several universities would be reporting in two or three months its own new findings.

Skepticism increased with the publication last week of the findings by Mr. McSween, Ralph Harvey of Case Western Reserve University in Cleveland and John Bradley, a geochemist and executive director of MVA Inc., a company in Norcross, Georgia, that specializes in the microscopic analysis of materials and is frequently used by NASA scientists. The report appeared in Geochimica et Cosmochimica Acta, an international journal of geochemistry.

In their examination of the supposed fossils, the scientists said they found that surrounding minerals probably formed from vapors that crystallized at temperatures as high as 1,400 degrees Fahrenheit (760 degrees centigrade), conditions much too hot to have included biological processes.

And the supposed fossils, they noted, had internal structures indicating that they were actually crystals of iron oxide, or magnetite, and not anything resembling extremely small bacteria, like nanobacteria on Earth.

Thus the scientists concluded that the properties associated with the putative Martian fossils "are inconsistent with a biogenic origin." Or as Mr. McSween remarked, "There is nothing else in this rock that looks like nanofossils, and the things that look like nanofossils aren't."

The meteorite in question, Allan Hills 84001, is one of a dozen that have been collected on the ice sheet of Antarctica and determined by chemical analysis to have originated on Mars.

In their initial report, the group led by Mr. McKay and Everett Gibson Jr., also of the Johnson center, said its conclusions were based on four pieces of evidence. No single piece was in itself conclusive for the existence of past life. Taken together, though, the pieces made a compelling case for microbial life on Mars, the scientists said.

The first piece of evidence was the presence in the rock of tiny globules of carbonates, probably formed when carbon-rich water or some other fluid flowed through cracks in the rock. The carbonates are a clue that the Martian rock had been exposed to water, a prerequisite for life.

Second, the rims of the carbonate globules were coated with deposits of iron sulfide and magnetite. Such minerals are not necessarily a sign of life, but in some cases they have been produced by terrestrial bacteria. The finding of unusually high temperatures appeared to rule out both these lines of evidence.

The third line of evidence included tiny elongated and ovoid features that the team said could be the nanofossils, which resembled fossils left by bacteria on Earth, but the new study suggests they have internal structures inconsistent with life.

Finally, the scientists identified in the rock compounds known as polycyclic aromatic hydrocarbons, or PAHs, which often have biological origins and are also associated with coal and diesel exhaust.

NOEL: *Santa Charms Muslims in Istanbul*

Continued from Page 1

couraged by merchants who see it as an ideal way to stimulate midwinter sales, and also by films and television programs from Western countries. People here can now make sense of scenes in which children tear open their presents while adults kiss under mistletoe boughs.

For the past few weeks, Istanbul's garden shops have been doing a booming business in mistletoe, evergreen trees and wreaths decorated with bright red bows and frosted pine cones. Christmas parties at the city's big hotels, originally aimed at foreigners, now attract throngs of Turks. Children clamor to have their picture taken with Santa, and one group of entrepreneurs will even arrange for him to visit private homes carrying a sackful of gifts.

"He's a sweet guy with a white beard," said Fikret Can Donmez, a rug dealer at Istanbul's grand bazaar. "The family comes together around the tree. It's a picture of happiness and harmony."

The original St. Nicholas, after whom Santa Claus is patterned, was a fourth-century bishop in what is now the Turkish town of Myra. A statue of Santa stands near St. Nicholas Church there, and tourists who visit the area often bring their children to see it. In a sense, then, Turkey's new interest in Santa is bringing him back to his roots.

Turkish children seem to have a good grip on the legend of Santa Claus, who is known here as Noel Baba, or Christmas Father.

"He gives gifts," Yavuz Kederoglu, 9, said as he waited for his turn to sit on the magic knee at a shopping center. "He rides with deer through the air."

While many people here have come to view Santa, Christmas trees and the exchange of gifts as harmless symbols of friendship and good cheer, some observant Muslims do not approve. Several who prayed one day recently at the Fatih Mosque, a traditional gathering place for true believers, asserted that for a Muslim to embrace any aspect of such a quintessentially Christian holiday was nothing short of sinful.

Some said they hoped Turkey would one day be governed by a regime with enough religious conviction to ban Christmas observances.

Two years ago, a militant group calling itself the Greater Eastern Islamic Raiders Front claimed responsibility for planting a bomb that exploded inside an Istanbul concert hall on New Year's Eve, and was implicated in several other bombings around the city that night. The group had condemned New Year's celebrations as a Western custom that had no place in a Muslim country.

There was no such violence last year, and in any case Istanbul's embrace of Christmas seems too strong to be broken by protests from militants. This city, always among the world's most cosmopolitan, has been marching steadily westward for a century or more, and attempts to pull it toward fundamentalism face overwhelming resistance.

During a break from greeting children at one mall, Santa Claus rejected suggestions that he was violating tenets of his religion.

"Turkey is a Muslim country," he conceded, "but this is about being contemporary."

AUTOS: *Japanese Carmakers, Their Profits Rising, Brace for Some Tough Times Ahead*

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Asia. "There is no question longer term that we will see not only a de facto consolidation but a real consolidation in the industry."

Some analysts insist consolidation is already well advanced and that Daihatsu, Isuzu and Mazda should technically be scratched from the list of Japanese carmakers. Daihatsu is 30 percent owned by Toyota and Mazda is 33 percent owned by Ford Motor Co., making them subsidiaries of larger carmakers rather than independent automakers in their own right, analysts say.

Isuzu is only an occasional carmaker. It pulled out of the passenger car market three years ago to focus on pick-up trucks and recreational vehicles, although it recently announced it would introduce a new car model next year.

Little or no growth in car sales is expected over the next five years, and Japan's bigger carmakers will be pushing hard to regain the pride and sales they lost during the past five years, when new car sales in Japan shrank by 800,000 vehicles, to 7 million.

Mr. Brogan of Salomon sees car sales growing by only 1 percent in 1997. Peter Boardman, an analyst at UBS Securities, sees sales growing by 2 percent in 1997 before stagnating in 1998 and possibly shrinking the year after that. Over the next five years he expects flat sales growth.

By contrast, the Japan Automobile Manufacturers' Association, an umbrella group for Japan's carmakers, said earlier this month that car sales in the 12 months ending in March 1998 would shrink by 2 percent because of a rise in Japan's consumption tax to 5 percent. The automakers' group has been lobbying the government to cut Japan's acquisition tax, a consumption tax by another name, to 4 percent from 5 percent before Tokyo raises the consumption tax itself in April.

The company analysts say is most likely to disappear from Japan's car market over the next five years is Fuji Heavy Industries, maker of Subaru cars. Unlike other Japanese makers, it does not own large areas of land it could sell to get through hard times and last year relied on one car, its Legacy station wagon, for 60 percent of its 10 billion yen in consolidated profits. A dent in the Legacy's enduring popularity could make it hard for Fuji to carry on, analysts said.

While many of Japan's smaller carmakers struggle, Toyota, the industry leader, is stepping up its marketing efforts to lift sales after its share of the domestic market slipped below 40 percent for the first time, to 39.4 percent, in the first half of this business year.

"With 2.4 trillion yen in the bank, Toyota certainly has the financial capacity to break everybody's back," Mr. Boardman of UBS said. "The question is, will they flex their muscles?"

In addition, some analysts fear Honda, which in the year to March 1997 is expected to triple its profits to a record 345 billion yen following the introduction of four successful new models this year, could face humiliating setbacks over the next few years as well. The firm has little new to offer next year when its competitors are expected to launch "look-alike" models to snatch away customers from Honda, analysts say.

French Air Force Runs Out of Gas

Reuters

PARIS — The French air force has canceled training flights until the new year after using up its fuel budget for this year, military sources said.

Training flights were halted a week ago, confining pilots to flight simulation exercises, and some air bases were cutting down on heating, the sources said Saturday. Strategic fuel reserves were maintained for emergencies, and operations abroad were not affected. The Defense Ministry declined to comment.

GINGRICH: *Republicans Seek Early Vote on Ethics Violations*

Continued from Page 1

speaker as the result of a Gingrich-led ethics campaign.

"This is absurd, this line the Republicans are taking that it's O.K. to lie to Congress as long as you apologize," he said.

As Republican leaders sought to characterize the violations, some of their descriptions did not quite match the words of the subcommittee's findings.

Mr. Boehner, for instance, said the ethics panel had "made it clear that Newt did not intend to mislead the committee, nor did Newt violate any tax laws."

But the statement does not address Mr. Gingrich's intent in saying that GOPAC, the political action committee he once headed, had no involvement with the college course. The panel simply concluded that the information the speaker gave the committee "was inaccurate, incomplete and unreliable," which it added, "Mr. Gingrich should have known."

The subcommittee also reached no conclusion on whether Mr. Gingrich's use of charitable contributions to finance his college course and a televised townhall meeting violated tax law — even though that was the issue the full ethics committee directed the panel to resolve.

At the same time, though, the panel's statement cites clear evidence that the charity-financed course had a "partisan political role." Federal tax prohibits the use of tax-exempt contributions to further a partisan, political agenda.

"The Wright case was about money for Wright," Mr. Armey said. "The case regarding the speaker was about ideas for Americans." The Texan said Mr. Gingrich had given untrue information to the committee because he was so preoccupied with trying to better America.

"He was so busy, occupied with trying to do these policies and public service that he did, in fact, as he now regrets, get careless in reviewing the documents," he said.

INTERNATIONAL

A Feeble Hand at the Zairian Helm

By Howard W. French
New York Times Service

KINSHASA, Zaire — For one whole day, it was like old times. When President Mobutu Sese Seko returned to Zaire from four months of cancer treatment, his name and his name alone seemed to be on every tongue; his image crowded every view.

The scale of the event was so large, and Marshal Mobutu's visit to a capital he all but abandoned five years ago so rare, that many people seemed emotionally caught off balance at the sight of a man whose power here had once known few limits, but who was now plainly diminished by disease.

In giving himself the title marshal, on top of a grandiose traditional name that

NEWS ANALYSIS

roughly translates as "the all-powerful warrior who, because of his endurance and inflexible will to win, will go from conquest to conquest leaving fire in his wake," Marshal Mobutu built a personal myth of an indispensable leader who alone was capable of preventing the disintegration of his fractious country.

But even though his return home was staged to resemble a triumph, few here have lost sight of Zaire's recent humiliation in a war with rebels in the east, whose surprising series of recent victories was supported by the smallest of Zaire's nine neighbors, Rwanda.

"I cried," said Djina Mokoungo, 32, a schoolteacher here who, like nearly everyone in this city, paid close attention to Marshal Mobutu's arrival speech. "He spent his entire life aspiring to greatness, and only now, for the first time, is he letting on that he never made it. And neither have we."

In the speech, Marshal Mobutu, perhaps for the first time in his career, begged his countrymen — rather than ordered them — to unite behind him.

But in the disabused climate of this dismal capital of 5 million, where people have been waiting for five years for a transition to anything but a replay of their political past, tender thoughts for Marshal Mobutu, one of Africa's most ruthless and corrupt dictators, proved remarkably short-lived.

"What is our wish?" said Robert Mfumu, an unemployed 31-year-old who lives in the densely populated Matonge section. "Naming a credible government that can organize free, democratic and transparent elections so that we can get rid of Mobutu. Kinshasa has burned before, and if he hasn't heard the people this time, it will surely burn again."

Aware of the high stakes, a day after Marshal Mobutu came home he named as chief of staff the one general in the Zairian Army who commands respect. Mahele Lioko Bokoungo was removed from the same job in 1992, in part because his reputation as a man of action had begun to cast too long a shadow.

By Friday, Marshal Mobutu had begun talks with opposition leaders aimed at forming a government of "national unity." And here again, he faced the same quandary as with the army: choosing a prime minister whose popularity clearly outstrips his own, or sticking with a political nobody for the sheer comfort of remaining unchallenged at the top.

The name that is being repeated for the prime minister's job is Etienne Tshisekedi, the longtime leader of the opposition and a man whose return from abroad two weeks ago drew crowds comparable with the masses that greeted Marshal Mobutu.

For many, whether he chooses Mr. Tshisekedi or not, Marshal Mobutu's political fate seems sealed. The 66-year-old leader's treatment for an advanced case of prostate cancer is expected to resume in France within two or three weeks, drawing him away again, perhaps for several months, perhaps forever.

Many people in Zaire are likening this moment to 1990, when Marshal Mobutu, under strong international and domestic pressure, opened up the country to multiparty politics. But instead of fulfilling pledges to cede most of his power to a popularly chosen prime minister — Mr. Tshisekedi — and to organize elections quickly, Marshal Mobutu undermined the opposition and continually reshuffled his government.

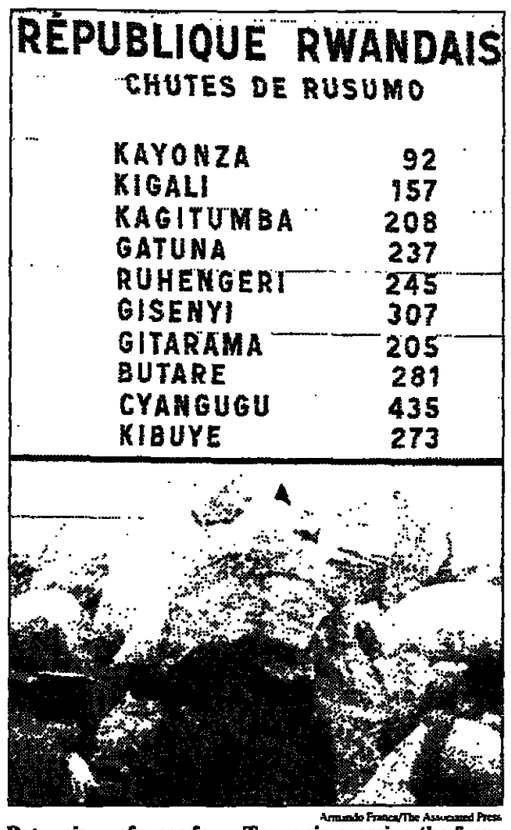
Zaire's long-postponed elections are now scheduled for May. Many see the vote as the last chance to hold this country together as one nation, and whether he is a candidate, as he has already proclaimed himself, or not, they see it as the marshal's best shot at a graceful exit.

Many of Marshal Mobutu's closest advisers, though, are known to favor pursuit of a victory over the eastern rebels as the president's best hope of hanging on to power and securing his reputation. For others, the pursuit of the war at the expense of elections risks leaving the president with neither power nor reputation intact.

Instead, with Marshal Mobutu's health failing, the country increasingly under the control of powerful generals and no quick solution likely to the loss of lands to rebels, the man who has built a reputation for holding Zaire together risks leaving the scene with it falling apart.

"For Zaire, Mobutu has always been a source of national fragility," said J. B. Sondji, a longtime critic of the president. "Power for him has always been an end in itself, not a means for achieving something else. It would be surprising to see him suddenly change now."

Mobutu Returns With Few Cards



Armando France/The Associated Press

Returning refugees from Tanzania crossing the frontier into Rwanda. The sign lists distances to towns.

Refugee Agency's Rwanda Policy Is Assailed

By Raymond Bonner
New York Times Service

GENEVA — In supporting the recent expulsion from camps in Tanzania of more than 200,000 Rwandans, the United Nations High Commissioner for Refugees has departed from its long-standing opposition to forced repatriation of refugees, agency officials here acknowledge.

Until now, the agency has been vocal and consistent in its opposition to the coercive return of refugees, and its role in Tanzania has drawn sharp criticism from some human-rights groups.

"It is a compromise," a senior official said. But he and several officials said the agency's support for the return of refugees living in Tanzania was a bow to the "new realities."

One of those new realities is that Western governments are tightening the purse strings. The Rwandan refugee camps in Tanzania cost some $2 million a day, and the United States had been leaning on the refugee agency for months to close them. Indeed, the Clinton administration had urged that food aid to the camps be cut, in order to persuade the Rwandan refugees to go home.

Officials at the agency said these realities were likely to produce other scenes of forced repatriation, soon probably in northern Iraq, where thousands of Turkish Kurds live in camps. The Turkish government wants the camps closed because it believes they are bases for Turkish Kurd guerrillas, just as the Rwandan government wanted the Tanzanian camps closed because anti-government rebels were operating from them.

In interviews here, senior refugee officials provided details about how the forced repatriation of the Rwandans began with a police operation set up to force rebel soldiers and paramilitary out of the camps, so that the refugees could decide on their own whether to stay or return.

However well intentioned and whatever the geopolitical realities, the refugee agency's participation in the forced repatriation of the Rwandans from Tanzania prompted human rights organizations to condemn the office of the United Nations High Commissioner for Refugees, which has twice been awarded the Nobel Peace Prize, most recently in 1981.

Human Rights Watch accused the agency of having "shamefully abandoned its responsibility to protect refugees." Amnesty International made a similar assertion, though not quite so sharply.

The former director of disaster-relief operations in the Reagan administration, Julia Taft, rejected the criticisms.

"One can be a purist if one wants," Mrs. Taft said in a telephone interview from Washington, where she is now president of Interaction, a coalition of nongovernmental relief and development agencies. "But you also have to be a realist. You have to make hard decisions. Where are people better off, in the hell of the camps, or back in Rwanda? The answer is in Rwanda."

That is also what the High Commissioner for Refugees concluded.

"We believe that the conditions in Rwanda have evolved in a positive and encouraging manner, so that the refugees can return in safety and dignity," said Sergio Viera de Mello, senior assistant to the High Commissioner for Refugees.

Jailed Algerian, Seeking Asylum in U.S., Faces Suit for Rights Abuses

By William Branigin
Washington Post Service

WASHINGTON —An Algerian Islamic militant who is seeking political asylum in the United States is facing a civil lawsuit charging that he is a major human rights violator.

Anwar Haddam, who came to the United States in 1992 and has served since then as a U.S.-based spokesman for Algeria's Islamic Salvation Front, was arrested by Immigration and Naturalization Service agents at his home in northern Virginia on Dec. 6, a day after the expiration of the "parole" status that allowed him to remain legally in the United States.

The move risks embroiling Washington in Algeria's bloody civil strife, which has claimed an estimated 50,000 lives since 1992.

Mr. Haddam was among 188 Islamic militants who won seats in Algeria's 430-member legislature in the first round of an election in December 1991. The Algerian Army then intervened to cancel a runoff in January 1992, preventing a victory by the Islamic Salvation Front.

Although scores of foreigners have been murdered by radical Muslim fundamentalists in an effort to isolate the Algerian government and "purify" society, no Americans have been targeted so far.

Mr. Haddam initially fled to France, which expelled him in 1992. If he returns, he will be arrested, the French Embassy here said. If he returns to Algeria, he also faces arrest on charges of involvement with radical fundamentalists of the Armed Islamic Group, which has been blamed for a number of terrorist attacks in Algeria and France, Algerian officials said.

After his expulsion from France, Mr. Haddam came to the United States on a visitor's visa and applied for asylum, an official said.

While his case was pending, he was granted "advance parole" status, which allowed him to leave and re-enter the United States, much to the irritation of France and Algeria.

Mr. Haddam's asylum request was denied by an immigration officer in October, and his parole status ran out Dec. 5. His arrest left in limbo his wife and four children, three of whom are U.S. citizens. His wife and one noncitizen child have overstayed their visas and face deportation, but have not been detained so far.

Mr. Haddam's arrest was "not a policy decision" and does not reflect any change in the Clinton administration's policy toward Algeria, a senior official said.

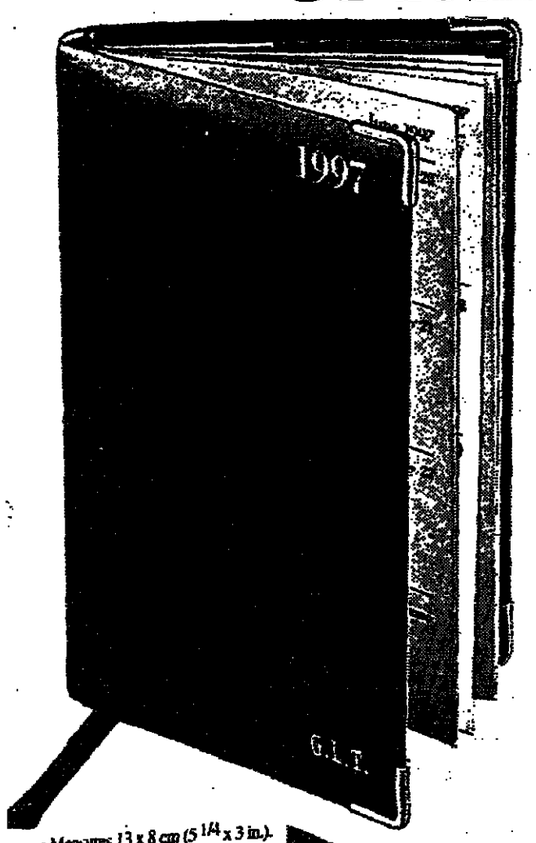
Mr. Haddam now is renewing his request for political asylum from his cell at an immigration-service detention facility in Manassas, Virginia. It was there that lawyers for seven anonymous Algerian and French plaintiffs served him Wednesday with a class-action suit seeking unspecified damages for "crimes against humanity, war crimes and other gross human rights and humanitarian law violations."

The plaintiffs, said to represent more than 1,500 people, accuse Mr. Haddam and the Islamic Salvation Front of assassinations, torture, hijacking, sexual violence against women and "sex-based apartheid."

Among the seven are the parents of a murdered Algerian journalist, an Algerian woman whose brother-in-law was beheaded and husband shot to death, and a French woman who was beaten and forced to flee Algeria after living there for 30 years.

The suit was filed by New York's Center for Constitutional Rights, the International Women's Rights Law Clinic and Michael Maggio, an immigraton lawyer.

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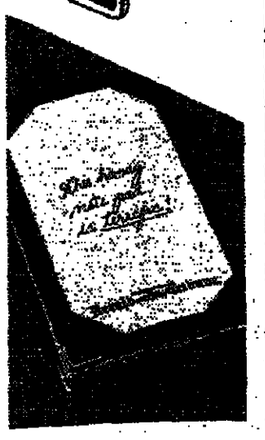
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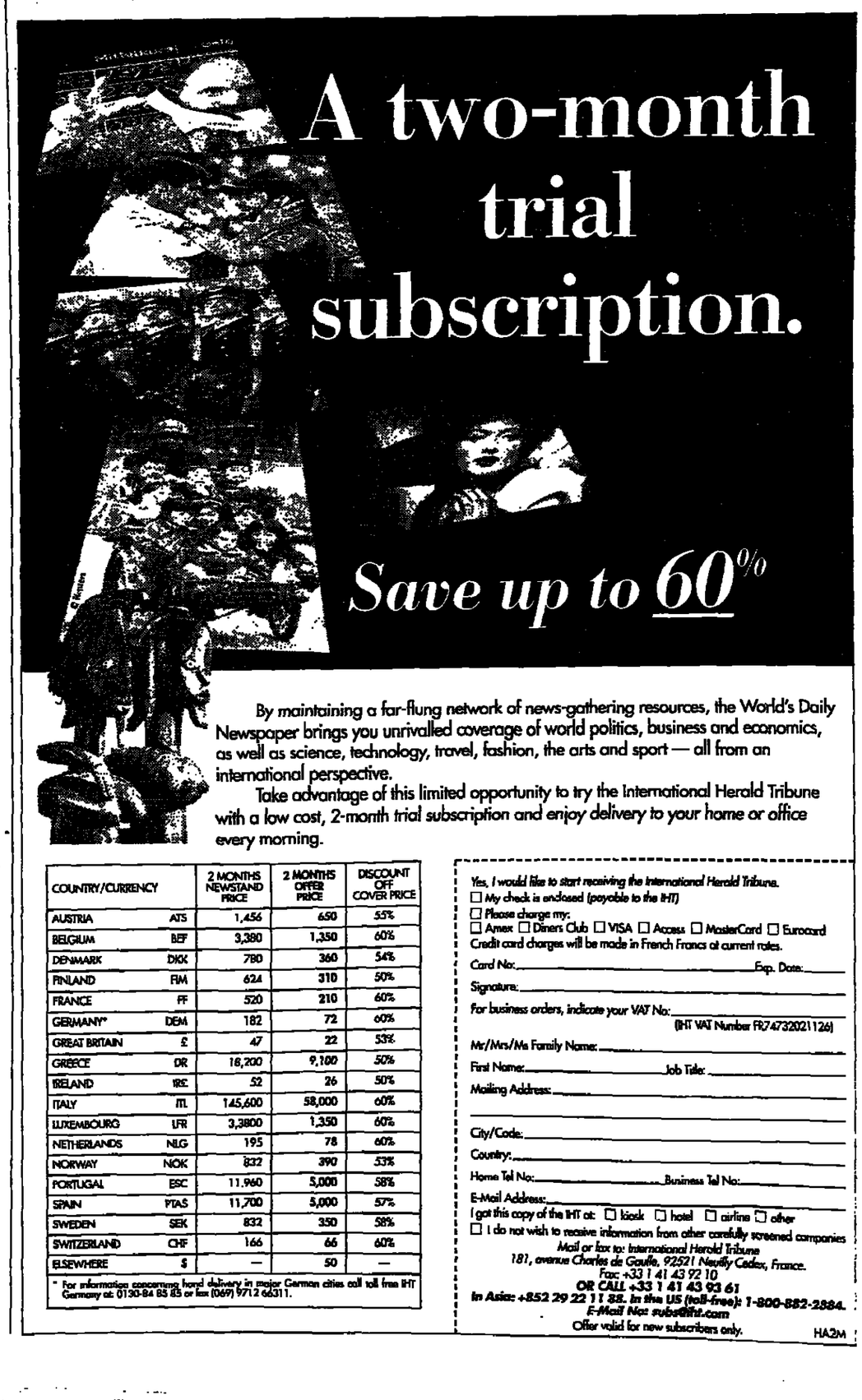
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EDITORIALS/OPINION

Herald INTERNATIONAL Tribune
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Squalid Spectacle

The storied Democratic fund-raiser Charles Yah Lin Trie outdid himself last Feb. 6. He delivered to a cozy White House kaffeeklatsch Wang Jun. You don't know much about Mr. Wang? Neither, it seems, did the Democratic National Committee — for which, and for President Bill Clinton's legal defense fund, Mr. Trie was raising hundreds of thousands of dollars. The DNC knew Mr. Wang just as head of a Chinese investment conglomerate for whom Mr. Trie had arranged face time with the president. Whether the Secret Service knew any more about Mr. Wang is not clear for, it appears, in this instance the apparatus had not done the usual screening of foreign guests to the White House.

In fact, Mr. Wang is more than a Chinese business executive — although, you might think, that alone should have prompted DNC officials to ask why he was being ushered into a small presidential coffee. Unlike Mr. Trie, he did not have a long record of personal contact and political support for the man who was governor of Arkansas at the time Mr. Trie ran a restaurant in Little Rock. As a foreigner, moreover, Mr. Wang was barred by American law from giving political gifts.

In fact, Mr. Wang is also a big-time gunrunner. He is known, to American intelligence agencies and even to American newspaper readers, as head of an international weapons trading company that the Chinese military set up to peddle arms. As Michael Weiskopf and Lena Sun reported in this newspaper, he was received in the White House even as American officials were confirming his company's sale of cruise missiles to Iran and nuclear-related equipment to Pakistan — transactions that cut directly across American policy. Earlier this year federal officials uncovered an alleged Chinese conspiracy to smuggle in 2,000 fully automatic assault rifles. One of the suspect companies was Mr. Wang's own Poly Technologies Inc.

We can only speculate on what Mr. Wang reported to his superiors about the American government's seriousness when he got back to Beijing. Mr. Trie is another story. His fund-raising prowess put him in a position to make a show for his business contacts in Beijing of his political contacts in Washington. It is not merely "clearly inappropriate," as the president said Friday, to receive Mr. Wang. The incident is right up there among the most squalid spectacles of the Clinton White House.

— THE WASHINGTON POST.

Japan's Resistance

A U.S.-Japan agreement on the insurance industry, reached in Tokyo after months of standoff, is good news for U.S. insurance companies and for Japanese consumers. But the process that produced this agreement reflects poorly on Japan, revealing a political system that still cannot reform itself in the absence of outside pressure.

The pattern is sadly familiar. The United States presses on Japan to open one sector or another to outside trade or investment.

Japan resists, complaining bitterly of American high-handedness, even though the market opening would benefit Japan most of all.

Finally, in the face of midnight threats and brinksmanship, Japan more or less gives way, doing what it should have done in the first place.

Japan's insurance industry, like much of its economy, remains highly regulated and inefficient. A cartel of five big companies controls the market for life, auto and fire insurance, charging identical rates and strictly controlling the products that can be offered. Foreign firms are permitted access only to tiny niches they have developed themselves, such as cancer insurance, in what is known as the "third sector." As a result of this anticompetitive web, Japanese consumers pay 40 percent to 70 percent more for insurance than policyholders in any other country.

A year ago, Japan's bureaucracy revealed plans to deregulate the third sector, thus challenging foreign companies' only preserve, without opening the primary market to competition.

This contradicted a 1994 agreement, under which Japan had promised to deregulate the primary market first, so U.S. trade negotiators went back to the table. The agreement they finally reached a week ago recommits Japan to its 1994 promise, lays out a detailed road map for deregulation — and spells out that such deregulation in the primary market must precede by at least 30 months the opening of the third sector.

So prices will start to come down for Japanese customers, and innovative U.S. companies will win new business, chipping away at the U.S. trade deficit with Japan. Everyone wins except the coddled Japanese insurance industry and the bureaucrats who have been coddling it.

Lately Japan has been resisting this traditional pattern of resolving trade disputes, saying they should be settled at the World Trade Organization and not bilaterally. That argument would carry more weight if Japan could reform its own economy. But Prime Minister Ryutaro Hashimoto, who has promised to sweep away barriers to competition throughout the Japanese economy, has yet to show he can do so without the foreign pressure that Japan loves to hate.

— THE WASHINGTON POST.

An Obscure Hero

The generation of local heroes who first carried the civil rights revolution across the American South is slowly passing, and the death of Arthur Shores of Birmingham, Alabama, at 92 leaves a formidable gap in the pantheon of surviving pioneers.

Starting in the mid-1930s, Mr. Shores was for many years the only black attorney in Birmingham. The Klan couldn't bomb him out. The judges who called him Arthur rather than Mr. Shores failed to rile him into making foolish arguments in their courtrooms.

His audacious lawsuit got Autherine Lucy admitted as the first black student at the University of Alabama in 1956. Mobs blocked her attendance, but Mr. Shores helped with the 1963 lawsuit that finally defeated Governor George Wallace's attempt to bar blacks from the campus.

By 1975, Mr. Shores was back in Tuscaloosa to receive an honorary doctorate. He had already become the first black elected to the Birmingham City Council. Such was the arc of his remarkable life.

When it came to civil rights, Mr. Shores saw the first battles and the final victories. As the cooperating local attorney, he enabled lawyers from the NAACP Legal Defense Fund to come into the state at a time when Alabama law was designed to keep them out.

Later, when Birmingham police arrested thousands of peaceful marchers in 1963, Mr. Shores won the Supreme Court case that got those arrests declared unconstitutional. He secured the federal court order that desegregated Birmingham schools.

Mr. Shores's home and his neighborhood were bombed so persistently in the '50s and early '60s that the area has gone into the history books as Dynamite Hill. Even after 50 explosions, the Birmingham police declared that they just could not figure out who was doing the evil work. As a result, Mr. Shores sometimes sat guard on his own front porch with a shotgun.

But he never gave up on the law. Charles Morgan Jr., one of the first white lawyers in Alabama to take civil rights cases, summed up Mr. Shores's early years this way: "He lived a consistent life on the side of the constitution and what was to become the constitution. I can't think of another lawyer who was more alone in a hundred different ways than Arthur Shores."

All that changed, of course, in the later years. The old warrior died peacefully and well honored in Birmingham by white and black alike.

The mantle of national fame has justly settled on the shoulders of Martin Luther King Jr., who brought in the harvest. But Arthur Shores's death is a reminder that all across the South, in towns small and large, there was a generation of obscure black heroes who prepared the ground and planted the seeds and never minded the peril.

— THE NEW YORK TIMES.

Danger Ahead: Emotion-Driven NATO Expansion

By Jim Hoagland

WASHINGTON — The American public's innate common sense may yet pull the Clinton administration back from the brink of a major foreign policy mistake. But the time grows short and the way out of the trap the White House has set for itself is lined with risks of its own making.

In promising to bring Poland and other Central European nations into NATO without changing the essential nature of history's most successful military alliance and without contributing significantly to a new era of military confrontation with Russia, the Clintonites promise to square the world's most dangerous geopolitical circle.

They are the 1990s equivalents of Lyndon B. Johnson promising to fight the war in Vietnam without slowing American economic growth, or of Ronald Reagan vowing to balance the budget while cutting taxes and greatly expanding defense spending.

As with those pledges, the individual features of the NATO enlargement plan are desirable and valid. Americans want to provide security guarantees and hope to those abused by 40 years of Soviet occupation; to keep whole the military organization that deterred Soviet aggression and maintained American leadership in Europe; to integrate a demilitarizing Russia into the family of peaceful industrial democracies.

But like those earlier pledges, President Bill Clinton's plan contains mutually exclusive elements. If the administration does not choose among them, events and other nations will.

On this issue emotions rather than analysis drive the administration. The president has made an emotional commitment to helping out those Central Europeans who have told him that only NATO membership can provide stability for those who live in the historic killing ground caught between Russia and Germany.

That commitment was apparent in Mr. Clinton's recent moving evocation of the Central European childhood of his secretary of state-designate, the Czech-born Madeleine Albright.

But emotions — as opposed to instincts — are usually poor guides to sound U.S. foreign policy. American policymakers once again risk being intoxicated by the politics of liberation, in which euphoria and hope crowd out or postpone clear-eyed, critical evaluation of American interests.

An important precedent comes to mind: When Africa was freed from European colonialism and white rule in the 1960s, the continent's history of oppression and victimization clouded the initial assessments of Africa's role and potential in international affairs. The worthiness of the cause of independence created a constituency prepared to overlook or deny the obvious weaknesses and internal problems of most African states.

The cases of Africa and Central Europe are obviously quite different. But it is the reaction in the West — the celebration of the politics of liberation as the basis for policy — that is strikingly similar, and dangerous.

At a recent debate on NATO expansion staged at the Council on Foreign Relations in New York, former assistant secretary of state Richard Holbrooke, who was one of the architects of this policy, was pressed to explain why President Clinton had announced during the presidential campaign that the first candidates — the Czechs, the Poles and the Hungarians — would be admitted to full membership in the North Atlantic Treaty Organization in 1999.

Mr. Holbrooke's answer was that 1999 would be the 10th anniversary of the fall of the Berlin Wall, and the 50th anniversary of the founding of NATO. The timing of a momentous strategic decision by the United States is being determined by anniversary dates and a chance to celebrate them, Mr. Holbrooke's remarks clearly indicated.

Another way of looking at Mr. Holbrooke's explanation is for the administration to recognize that there is nothing magic about the 1999 date. Too much remains to be done in reconciling what kind of NATO, and what kind of Russia, expansion will help create. There should be no rush to judgment at the Clinton-orchestrated NATO summit meeting in Madrid next July.

Americans are only beginning to become aware that their president intends to commit them in July to extending the nuclear umbrella that goes with full NATO membership to Poland's eastern frontier. Billions will have to be spent to make credible an allied deterrent against aggression from Russia — a power Mr. Clinton still treats as an American strategic partner and aids economically.

The American public needs time to sort out the contradictions of Mr. Clinton's proposed changes to NATO, which must be ratified by the Senate. And so does the administration. In Africa, policies built on celebrating liberation led to disillusionment and disengagement.

In Central Europe, they can lead to disaster.

The Washington Post.

In Hong Kong Birdsong, the Clues to China's Future Course

By Thomas L. Friedman

HONG KONG — In the old days, coal miners used to bring a canary down into the shaft with them to serve as an early warning system. As long as the canary was alive, things were fine. But if the canary keeled over and died it meant there was a gas leak and it was time to get out — fast. On July 1, Hong Kong returns to China under a deal with Britain in which Beijing has promised to maintain Hong Kong's open, free-wheeling and autonomous character. For a week I've been asking people here what canaries the world should watch to know whether Hong Kong is alive and well after China takes over.

Hong Kongers are not shy on this question. At the recent Manila APEC economic summit meeting, the Hong Kong delegate handed China's president, Jiang Zemin, a plastic paperweight that had four metal bars encased inside. Each bar had a Chinese phrase encapsulating what Hong Kongers see as their most important canaries: "The Rule of Law," "Right to Freedoms," "An Effective and Noncorrupt Civil Service" and "A Level Playing Field" (no special advantages for those close to Beijing). At the top and bottom were the words: "Continued Stability and Prosperity for Hong Kong After 1997." The Hong Kong official said: "It wasn't subtle. We made it into a paperweight so Jiang can keep it on his desk."

Others offered more specific canaries. Business executives told me to watch if prices of luxury homes — already trading for up to $20 million — continued to soar. That would mean mayors and provincial governors from inside China, who are the source of the worst corruption there and have access to a lot of cash, were buying their way into Hong Kong in order to launder, divert or stash ill-gotten gains. The more hot money floating around here, the less likely Hong Kong's clean civil service will remain clean. "Well water and river water don't mix," one Hong Kong official said when I asked about Chinese Communist mayors doing business in Hong Kong.

Another big worry of Hong Kongers is that Chinese companies might start buying up Hong Kong companies by making the owners "an offer they can't refuse." Last April, Swire Pacific Ltd., one of Hong Kong's oldest trading houses, agreed to sell China a big stake in its two lucrative airlines, Cathay Pacific and Dragonair, at what was clearly a bargain rate, which The Economist said smacked of "political blackmail." If Chinese-owned firms appear to be using their political clout to swing deals, this city's international reputation for having a level playing field is over.

Another key canary: To whom will the new chief executive of Hong Kong, Tung Chee-hwa, report? If he reports directly to China's president that will mean he can represent Hong Kong's interests to the very top, unfiltered. If he has to go through the bureaucracy, like any other provincial governor, he will be dealing with people who barely have a clue about Hong Kong's international character and how to preserve it.

Also, watch Anson Chan, the widely respected chief secretary of Hong Kong, in charge of its civil service. Mrs. Chan speaks exactly like Margaret Thatcher and has her same steely demeanor. She is 56 and told me she plans to work until age 60. If you see her take early retirement it means she believes the civil service here is being infected with Chinese-style corruption.

And read the Chinese-language press. No one expects outright Chinese censorship in Hong Kong, but if you start to detect self-censorship — stories not written, editorials not offered — Hong Kong's reputation as a global media center will perish.

The West should watch these canaries not just because of what they will tell us about Hong Kong, but because of what they will tell us about China. China has signed an international agreement with cast-iron promises to preserve Hong Kong's autonomy and open character. Moreover, China has an enormous economic self-interest to see Hong Kong preserved. Therefore Hong Kong is a test of whether China has the will and the ability to implement what is in its own self-interest. If it does, it means the West can be a little more optimistic about China's ability to live within the rules of the international system. If it doesn't, it means China is intent on living by its own rules.

So Anson Chan, the press and Mr. Tung are the canaries that will tell us about Hong Kong, but Hong Kong is the big canary that will tell us about China.

The New York Times.

Beijing's Puppets and the Beginning of the End

By Martin Lee

HONG KONG — Hong Kong officially returns to China on July 1. But a de facto transfer of sovereignty happened Saturday in Shenzhen, a border town in southern China, when Beijing appointed a puppet legislature that will eventually replace Hong Kong's elected Legislative Council.

It is the beginning of the end of human rights and the rule of law in Hong Kong.

In effect, China is reversing the results of the watershed election of September 1995, when more than a million Hong Kong citizens faced down threats from Beijing and elected legislators who pledged to fight for freedom and our way of life. It was the first time voters could elect all 60 council members, who were to serve four-year terms.

Now Hong Kong will have two legislatures operating simultaneously: one elected and supported by the people of Hong Kong, the other appointed by Beijing to pass repressive laws to control Hong Kong.

The 1984 Joint Declaration, in which Britain agreed to hand over Hong Kong, promised that Hong Kong would have an elected legislature, an executive accountable to that legislature, a "high degree of autonomy" and an independent judiciary.

It was agreed that Hong Kong would retain its capitalist economy and govern itself without interference from China in all matters except defense and foreign affairs.

Those guarantees are in tatters now. The newly appointed body will violate the Joint Declaration and breach Beijing's own constitution for Hong Kong, known as the Basic Law. Chinese leaders did not dare appoint this body in Hong Kong itself.

I threatened to get an injunction from the High Court to stop its establishment and operation here.

Clearly, this new legislature will be a rubber stamp for China's agenda. Tung Chee-hwa, the chief executive appointed last week by Beijing, has endorsed both a new law on subversion and a measure to roll back Hong Kong's Bill of Rights. Repressive colonial laws to restrict freedom of assembly and expression will be resurrected, and eventually Hong Kong's courts — no matter how independent the judges — will be forced to carry out these laws.

Moreover, a number of the appointees ran for the Legislative Council in Hong Kong but were rejected by voters in 1991 and 1995.

These officials will now have every incentive to pass laws to ensure that they will never again be humiliated in genuine elections.

Despite these affronts to Hong Kong's autonomy, the democratic countries of the world refuse to object. But nations and businesses eager to expand trade with China should remember that a free and autonomous Hong Kong, providing the rule of law, a level playing field and a free flow of information, will make it easier to do business in China itself. Indeed, Hong Kong could serve as a model for China.

Chinese leaders must be persuaded to honor their international promises in full, including their pledge to maintain democracy in Hong Kong.

The 1992 U.S.-Hong Kong Policy Act commits Washington to support democratic institutions in Hong Kong. President Bill Clinton should invoke it to encourage China to allow free and fair elections.

Chinese leaders evidently think that by dismissing Hong Kong's legitimate leaders and replacing them with proxies, the people of Hong Kong will be silenced.

We won't be.

The writer, chairman of Hong Kong's Democratic Party, contributed this comment to The New York Times.

A Businesslike Way to Put the Bite Back in America's Military

By Stanley A. Weiss

LONDON — *"The Pentagon announced today it would send an additional 500,000 troops to the Gulf. A force of accountants, clerks and maintenance workers, armed with computer printouts, travel request forms and standard-issue mops and brooms, will be sufficient to take on a resurgent Saddam Hussein."*

As far-fetched as it sounds, the United States is creeping closer to making this story come true. In the last six years, American fighting forces have been mostly cut in half. But the Defense Department's support businesses are still mostly impervious to change. Fewer defense dollars are being spent on post-Cold War combat forces (or "tooth" in military shorthand) and more and more on bloated Cold War support functions (or "tail"). That's why reengineering the Pentagon is a must for Secretary of Defense-designate William Cohen.

Historically, the ratio of U.S. fighting strength to support, or tooth to tail, stood in roughly equal balance. Today, tooth-to-tail has become tail-to-tooth, with 70 percent of defense funding devoted to backup functions and just 30 percent to fighting — and falling.

The U.S. Congress and the president could try to correct this imbalance the old-fashioned way — by throwing money at it. According to some analysts, this could cost as much as $60 billion to $80 billion per year, to fund new weapons and technology. Another alternative is to downsize U.S. commitments to balance downsized defenses. But in a world where hot spots can flare from any point on the compass, shrinking America's commitments to fit a smaller force is neither palatable nor prudent.

There is, however, a third way to respond to the coming crisis: Run the military like a business. Such an approach could win agreement from both U.S. budget hawks, who rank a balanced budget as the top priority, and the defense hawks, who believe a strong defense should come first. The objective is not spending more or spending less — but spending better.

Slice off the tail and apply the savings to get more tooth and also reduce the deficit. In the constrained fiscal climate that now prevails in the United States, this approach could make hawks of all types happy.

Here are four ways to reengineer the Pentagon, all already tested by industry:

1. Privatize where possible: Many activities handled by the Pentagon at present have little or nothing to do with the military's mission. Even weapons maintenance need not be done by uniformed personnel. Privatizing depots and "outsourcing" maintenance work would save at least $15 billion a year, according to the Pentagon's own estimate.

2. Outsource where the private sector has built a better mousetrap: We all know the U.S. military has an army, navy, air force and Marines; are we equally aware that it also runs its own travel agency and real estate empire even as it serves as a bursar and landlord? The Pentagon spends $8.50 to process a paycheck; a private sector payroll specialist could do the job for $1. As for travel, in 1993 the Pentagon spent $1 billion to process $3.5 billion in travel expenses.

3. Reduce inventory to cut costs: U.S. forces need to abandon the costly "just in case" mentality and borrow from the "just in time" inventory practices being perfected by business. In a world where pizzas are expected to arrive in a half hour and air freight overnight, the private sector has capabilities the Pentagon can't afford not to tap.

4. Downsize the civilian defense work force: In the past six years, the number of U.S. Army divisions has been cut from 18 to 10, active fighter wings from 24 to 13 and ballistic missile subs from 34 to 14. The number of uniformed personnel has been cut from 2.1 million to under 1.5 million. Yet there are 640,000 military and defense positions engaged in essentially commercial activities, costing $45 billion a year. Many of these jobs could be cut or outsourced. Nor should management be exempt from the ax. Since 1980, the Pentagon's senior civilian leadership has increased by 25 percent. Never have so many, paid so much, bossed so few.

Finally, there must be a systematic effort to realize these potential gains; to this end a private sector-led "Tail-to-Tooth Commission" should be established. The inverted name is intentional, to tell the public at a glance that there has been a dangerous reversal in the resources devoted to the combat end of U.S. defense.

Restoring the tooth-to-tail ratio will do more to ensure the long-term effectiveness of America's military than any new strategy or increase in the defense budget. Indeed, cutting the tail can provide funds for sharpening the teeth without spending a single additional dollar.

The writer is founder and chairman of Business Executives for National Security, an organization of U.S. business leaders. He contributed this comment to the International Herald Tribune.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1896: Probable Pardon

CONSTANTINOPLE — The large measure of clemency on the part of the Sultan towards the Armenians recently referred to will probably bring about the release of 4,000 prisoners and the remittance of all sentences of death. This has been promised to the Patriarch Ormanian, but needs ratification at the Council of Ministers. At the request of Mr. Terrell, US Minister, Hatoum Dardourian, imprisoned at Trebizond, has been released. Nine individuals who had surrendered to the Government as revolutionists at Aleppo were also set free.

1921: Down the Drain

NEW YORK — Millions of dollars annually are going into the coffers of the bootleggers when they should be going to the Government in the form of legitimate revenues, according to anti-prohibitionists. The United States Treasury Department has conceded that it would not oppose a measure for heavily taxed light wines and beer. The wet forces propose that the revenue from wine and beer could be used to pay the soldiers' bonus, which the Government has repeatedly put off on the ground that it had not the funds. Permitting the sale of wine and beer would mean an additional revenue of $500,000,000 a year.

1946: Wave Kills 1,500

TOKYO — A devastating tidal wave caused by the earthquake that struck Japan killed at least 1,500 persons, made 20,000 homeless and smashed at least fifty cities and villages on Japan's shores. Kochi, the capital of the prefecture of the same name, bore the brunt of the seven- to ten-foot tidal wave, which destroyed thirteen factories.

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International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France.
Tel.: (1) 41.43.93.00. Fax: Circ., (1) 41.43.92.10; Adv., (1) 41.43.92.12. E-Mail: iht@iht.com
Editor for Asia: Michael Richardson, 5 Canterbury Rd., Singapore 0511. Tel. (65) 472-7768. Fax: (65) 274-2334
Mng. Dir. Asia, Rolf D. Kronepihl, 50 Gloucester Rd., Hong Kong. Tel. 852-2922-1188. Fax: 852-2922-1190
Gen. Mgr. Germany: T. Schlüter, Friedrichstr. 15, 60323 Frankfurt/M. Tel. +49 69/971250-0. Fax: +49 69/971250-20
Pres. U.S.: Michael Conroy, 850 Third Ave., New York, N.Y. 10022. Tel. (212) 752-3890. Fax: (212) 755-8785
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LANGUAGE

On Spin, Body English and Schmucks

By William Safire

WASHINGTON — The Brooklyn pitcher "Candy" Cummings, who flummoxed the Harvard baseball varsity by inventing the curveball just after the Civil War, has been ill served.

In an Esquire article on "The Age of Spin," Randall Rothenberg noted how the slang meaning of *spin* changed from the pejorative "deceive" in the 1950s to a mockingly admiring "polish the truth" today.

The author had called me, as a former legerdemainliner, for my definition. Instead of looking it up in my own political dictionary, which has it right, I spun off as follows: "*Spin* is what a pitcher does when he throws a curveball. The English on the ball causes it to appear to be going in a slightly different direction than it actually is."

Not only is that sentence awkwardly constructed, but also the notion that a curveball appears to curve, but does not, comes strictly out of left field — that is to say, it's wrong. The correction comes from Michael McCurry of Washington, press secretary to the president.

"When a pitcher tosses a curveball," writes McCurry, who denies being on a post-election charm offensive, "he affects the physics of the motion so that the ball actually 'breaks.' It does more than 'appear' to go in a slightly different direction — unless, of course, the curve 'hangs' like tortured *spin* falling on deaf ears."

The Clintonian Newtonian then proceeds to slam the metaphor out of the park: "The spinner's 'English' on a story is designed to move the story in a more favorable direction. That said, the pitch had better cross the plate. Too many wild *spins*, and someone sooner or later sends you to the showers." McCurry then steps up to the plate and *swings for the bleachers*: "In America's pastime, the *spin* on a curve is for real — even if it's a Cuban or Japanese doing the throwing."

Spin in this sports sense began in cricket. "The more *spin* you give the ball," wrote James Pycroft in his 1851 book on the British sport that antedated American baseball, "the better the delivery; because then the ball will twist, rise quickly, or cut variously, the instant it touches the ground."

English — the twist, not the language — came into use through billiards, first recorded by Mark Twain in 1869, its origin obscure. In 1906, as *body English*, it was applied to the unconscious wriggling of a player seeming to try to affect the course of a rolling ball. That was the precursor to *body language*, the movements people and other animals make — often unconsciously, sometimes with sly political intent — that communicate emotions.

□

There it was, in a prominent box in The New York Times, a direct quotation from a dignified and well-brought-up woman now serving as governor of the great state of New Jersey (and a person often cited by the Great Mentioner as a potential president of the United States) about requiring candidates to appear personally in attack ads:

"I happen to think that if you are looking in a camera," said Governor Christine Todd Whitman, "saying so and so is a complete *schmuck*, I think that you are going to have to phrase it a little differently."

A year before, Roger Rosenblatt, in The New York Times Magazine, quoted the publishing executive Dick Snyder's demurral: "*I don't want to* sound like some new-age *schmuck*."

The Associated Press has also disseminated the word widely, and The Santa Fe New Mexican this year reported, "The mayor had warned Councilor Peso Chavez that she was prepared to sue him for slander and called him a '*schmuck*.'"

The councilor could not have sued the mayor back, because the current meaning of *schmuck* in that context is clearly "thoroughgoing jerk, absolute fool, unmitigated ass," none of which is slanderous. Why, then, do I wince when I hear that word spoken on television or see it in family newspapers?

Because I was brought up to believe *schmuck* was rooted in "penis." Am I hypersensitive and prudish?

"The word came into Yiddish from the old Polish word *smok*," says Sol Steinmetz, head of Random House reference, "*meaning* 'snake.' The spelling *schmuck* came about in English through the influence of the German *Schmuck*, meaning 'ornament, jewelry.' But the standard Yiddish transcription for the word is *shmok*."

"Since Yiddish lacked a common word for *penis*," says the lexicographer in his scholarly way, "it borrowed the Polish word for 'snake' in the 1600s for the more vulgar term."

New York Times Service

BOOKS

THE ONLY THING THAT COUNTS
The Ernest Hemingway-Maxwell Perkins Correspondence

Edited by Matthew J. Bruccoli. Illustrated. 367 pages. $35. Scribner.

Reviewed by
Michiko Kakutani

THEIRS was one of the most celebrated professional alliances in the history of publishing: One was America's most high-profile writer and purveyor of macho pursuits; the other was America's best-loved editor, the midwife to some of the most glittering achievements of a literary generation.

Although "The Only Thing That Counts: The Ernest Hemingway-Maxwell Perkins Correspondence" offers the reader a few new insights into their day-to-day relationship, the volume, for the most part, is a disappointment. The pair's most illuminating letters have already been quoted at length in A. Scott Berg's excellent 1978 *biography of Perkins*.

The other letters gathered in this volume by the scholar Matthew J. Bruccoli tend to deal with mundane exchanges about money, advertising and editorial disputes — the sort of forgettable exchanges that would be dealt with today in a perfunctory telephone conversation.

As expected, Perkins emerges as a patient, long-suffering editor serving as a sort of combination father figure, father confessor and cheerleader for his temperamental writer. Hemingway, on his part, comes across as the familiar self-dramatizing blowhard: alternately insecure and boastful, bullying and paranoid, a needy and demanding assignment for any editor, much less one also coping with the problems of Thomas Wolfe and F. Scott Fitzgerald.

Perkins's relationship with Hemingway began in 1924, when Fitzgerald told him about a young American in Paris, a writer with a "brilliant future" — "the real thing." Although Hemingway's first book of stories, "In Our Time," was already promised to another publishing house, he soon began a decades-long relationship with Perkins (and Perkins's employer, Charles Scribner's Sons) with his next two books, "The Torrents of Spring" and "The Sun Also Rises."

This was exactly the sort of relationship Perkins cherished. As he wrote in a 1930 letter: "The great interest in publishing is to take on an author at the start, or reasonably near it, and then to publish not this book and that, but the whole author."

Whereas Perkins's relationship with Wolfe was highly collaborative, his role with Hemingway was more advisory and supportive: He did not rewrite or revise, nor did he fine edit.

Because this volume is very poorly annotated, we get no sense here of how Hemingway achieved his early chiseled style or why that style gradually devolved into a parody of itself; we also get no sense of why he grew increasingly belligerent and pugnacious or how Perkins felt about this development.

What we do get are a lot of put-downs by Hemingway of other writers, friends and critics — put-downs that comprise what are by far the liveliest passages in this volume. Of Edmund Wilson, he writes: "His criticism is like reading second-rate gospels written by someone who is out on parole. He reads most interestingly on all the things one does not know about. On the things one knows about truly he is stupid, inaccurate, uninformative and pretentious."

And of Gertrude Stein: "She lost all sense of taste when she had the menopause. Was really an extraordinary business. Suddenly she couldn't tell a good picture from a bad one, a good writer from a bad one, it all went phtt."

The writer who most fiercely engages Hemingway's attention — and elicits the most sustained paternalism and scorn — is Fitzgerald, whom he never seems to have forgiven for his early encouragement and help. And: "The trouble is that he wouldn't learn his trade and he won't be honest. He is always the brilliant young gentleman writer, fallen gentleman writer, gent in the gutter, gent ruined, but never a man."

As for Hemingway's own notions about writing, they are laid out, aphoristically, in passages that seem meant to be clipped and quoted. Among his apercus: "Should always write as though you were going to die at the end of the book" and "writing is a hard business Max but nothing makes you feel better."

In the end, Hemingway seems to have been unable to believe in (or live by) his own homilies. He committed suicide on July 2, 1961. His "most trusted friend" and editor, Perkins, had died of pneumonia 14 years before.

Michiko Kakutani is on the staff of The New York Times.

BRIDGE

By Alan Truscott

IN the New York area, the man with the most irons in the bridge fire is surely Bob Blanchard.

Blanchard is leading a drive at the Beverly Club, 130 East 57th Street, Manhattan, to introduce those lacking computer experience to the joys of playing bridge on the Internet. He is planning the move of the famed Cavendish invitational events to Las Vegas, Nevada, in May, when the prize pool is likely to exceed $1 million. And he heads an importing business unrelated to bridge.

He won his first major national title, the Blue Ribbon Pairs at the Fall National Championships in San Francisco, recently. His partner was Jim Krekorian.

Their margin of victory was just 3 match points, and the diagramed deal was one of many that played a role. They were discreetly silent as East-West after a weak no-trump opening by the opposing South player, and defeated it after cut-and-thrust play.

Looking at four hands, a red suit lead would be best, but Blanchard, West, naturally led a high spade. His choice was the queen, which in his methods asks for an attitude signal.

South won and led a club to the queen. East won and returned a spade, ducked to dummy's ten. The club eight was led and covered with the jack and king. South led the heart queen, and when this won he followed with the jack. East won with the ace reaching:

NORTH
♠ 3
♡ K
◇ K 8 6 2
♣ 5

WEST
♠ K 9
♡ 9
◇ A 9 4 3
♣ —

EAST
♠ —
♡ 10
◇ Q 10 5
♣ 10 6 4

SOUTH
♠ J 6
♡ 3
◇ J 7
♣ 9 7

East carefully cashed his club ten, on which West threw the spade nine. Then a heart gave dummy the lead, and South's hand was useless.

He exited with a spade to West, and a diamond shift gave the defense three tricks in that suit for down one.

NORTH
♠ 10 3 2
♡ K 6 5
◇ K 8 6 2
♣ Q 8 5

WEST
♠ K Q 8 5
♡ 9 8 7 4
◇ A 9 4 3
♣ 3

EAST
♠ 8 7
♡ A 10 2
◇ Q 10 5
♣ A J 10 6 4

SOUTH (D)
♠ A J 6 4
♡ Q J 3
◇ J 7
♣ K 9 7 2

Neither side was vulnerable. The bidding:

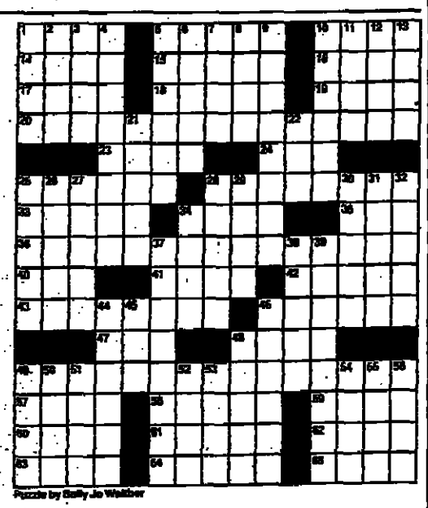
South	West	North	East
1 N.T.	Pass	Pass	Pass

West led the spade queen.

CROSSWORD

ACROSS
1 Spring
5 Upper-story room
10 *Ali who said "Open sesame!"*
14 Latin journey
15 Material for uniforms
16 Arab prince
17 Plot size
18 "Greetings!"
19 Suffix with *million*
20 Chickens that lay brown eggs
23 Toward shelter
24 Old French coin
25 *Mad* — (Wonderland character)
28 Pedalers' place
33 Kitchen garment
34 Interstate hauler
35 Actress Myrna
36 Attraction for winter vacationers in the South
40 — Aviv
41 Followers: Suffix
42 — the Barbarian
43 Soup crackers
46 — Anderson of TV's "Baywatch"
47 Half of dos
48 Play part
49 Easy-gaited saddle horse
57 Pitcher Nolan
58 Bridal walkway
59 Not for
60 "Rule Britannia" composer
61 Like certain dentures
62 Tide type
63 Ground grain
64 Snoozes
65 Remove, in editing

DOWN
1 Pinocchio, at times
2 Make art on glass
3 Pertaining to aircraft
4 Lion or coyote
5 Sorer
6 "One of — days, Alice . . ."
7 Money drawer
8 1985 movie "To Live and Die —"
9 Kind of cap
10 Face hardship bravely
11 She's a sweetie in Tahiti
12 Wren or hen
13 Greek Mars
21 1985 Nicholas Gage best seller
22 Buck's mate
25 Sword handles
26 Cop — (negotiate for a lighter sentence)
27 Folklore dwarf
28 Defeats
29 Radio host Don
30 Skirt type
31 Having a key, in music
32 "Laughing" animal
34 Encl. for a reply
37 Jurassic Park revival
38 La — opera house
39 One's birthplace
44 Burrow
45 Ending with nectar or saturn
49 — *that be*
48 Rent again
49 Mine vehicle
50 Jane who loved Mr. Rochester
51 Zola novel
52 Ex-Cleveland OB Brian
53 Intuitive feelings
54 Where the paella is
55 And others: Abbr.
56 Properly aged



Puzzle by Betty Jo Waldner

Solution to Puzzle of Dec. 20



INTERNATIONAL

Iran Sees Itself as a Gulf Guardian

U.S. Is the Real Threat to Regional Stability, Tehran Insists

By John Lancaster
Washington Post Service

TEHRAN — The United States sees Iran as a powerful, ideologically hostile country bent on dominating the strategically vital Gulf region — by subversion if possible, by force if necessary.

As it happens, Iran sees the United States in almost exactly the same way.

In interviews here, Iranian officials voiced alarm at the hefty U.S. military presence in the Gulf, an area that Iran has long considered vital to its national interests. They accused the United States of raising tensions by appropriating funds to destabilize Iran, conducting frequent military exercises and selling huge quantities of arms to nondemocratic, frequently hostile Arab powers, such as Saudi Arabia.

They said that instead of looking to the United States for protection, Arab countries in the Gulf should join their natural geographic partner — Iran — in a regional security alliance. President Hashemi Rafsanjani recently went so far as to propose that Iran and the Gulf countries hold joint military exercises.

"We propose a collective security arrangement," the deputy foreign minister, Abbas Maleki, said in an interview. "We can promise that calmness will continue in the Persian Gulf if the United States withdraws from this region." He added: "We can promise the security of oil and gas flowing from this region without any foreign soldiers."

Such offers might seem inconsistent with Iran's long history of bad blood with its neighbors, its attacks on Kuwaiti tankers during the "tanker war" of the 1980s and its bitter dispute with the United Arab Emirates over three Iranian-occupied islands.

Only last month, Iran held its largest naval exercises since the 1979 revolution that toppled the pro-U.S. shah, including an amphibious landing on the Iranian island of Kish.



Sayyad/Canadian Press

The Iranian foreign minister, Ali Akbar Velayati, right, greeting his Russian counterpart, Yevgeni Primakov, who arrived in Tehran on Sunday for talks on improving ties and on ending the civil war in Tajikistan.

U.S. officials, meanwhile, advocate "dual containment" of Iran and Iraq through military deterrence and trade embargoes. They contend that Iran threatens American interests by pursuing the power to make nuclear weapons, its active opposition to the Middle East peace process and its support for terrorist groups. And Washington is evaluating Saudi claims that Iran played a role in the massive truck-bombing that killed 19 Americans and wounded hundreds more at a military housing complex in Saudi Arabia in June.

But the dual-containment strategy is opposed by Washington's allies in Europe, who advocate "critical dialogue" aimed at strengthening moderates in the Iranian regime. Many analysts, moreover, suggest that American perceptions of the Iranian military threat are exaggerated and that Tehran's naval buildup in the Gulf — which includes Russian submarines and shore-based missile batteries — is primarily defensive.

They point out that Iran spends far less *on its military* — about $3 billion a year — than Saudi Arabia, whose 1994 defense expenditures topped $17 billion, according to a public CIA estimate. Saudi Arabia is the largest country in the six-nation Gulf Cooperation Council, which was founded in part to counter Iran.

The Iranians do "want to be seen as a regional superpower," said the ambassador of a government that shares Washington's abhorrence of the Iranian theocracy. "They have been taking measures to build up their readiness. But I see it as defensive, not offensive. I don't think the United States should be alarmed about Iranian conventional military development, because it's small in comparison to their own."

And the Iranians said that their fears of the United States are well founded, citing, among other things, a measure passed by Congress last year designating $20 million for covert action against the regime in Tehran.

But their biggest cause of anxiety is the U.S. military presence in the Gulf, which has escalated sharply since the Iraqi invasion of Kuwait in 1990. About 20,000 American troops are stationed on ships and bases throughout the region.

U.S. Weighs Retaliation for Bombing

Washington Mulls Options if It Finds Iran Was Tied to Saudi Attack

By Thomas W. Lippman and Bradley Graham
Washington Post Service

WASHINGTON — Although they insist it is premature to plan any retaliation against Iran for complicity in the bombing of a U.S. housing compound in Saudi Arabia that killed 19 Americans, U.S. officials have begun to think about possible responses if the investigation turns up incontrovertible evidence of Iranian involvement.

The United States could pursue a range of military, political and economic actions against Tehran, Clinton administration officials and independent analysts said, but most options — and especially any direct military strike — carry grave risks.

"The potential universe of actions is quite wide," a senior administration official said. "The real universe carries downsides."

For example, he and others said that the most obvious form of retaliation, a military strike to shut down Iran's oil export terminal at Kharg Island, might inflict severe economic damage on Iran but it could also drive up oil prices, causing economic pain in Europe and Japan and increasing pressure to lift economic sanctions on Iraq.

The Saudi authorities investigating the June bombing of the military apartment building have given the United States information that they said indicated it was carried out by Saudi Shiite extremists trained in Lebanon and supported by the Iranian government.

But some officials here and in the Middle East are skeptical of the theory, suggesting that the Saudis are trying to shift blame to Iran to divert attention from domestic political dissent and intensify U.S. pressure on their rival across the Gulf.

Talk of retaliation "is nowhere near the real world right now," a senior official said. "The fact that the Defense Department does contingency plans is not news."

And a high-ranking Pentagon officer said: "We would be remiss if we didn't do some planning."

With outgoing Secretary of State Warren Christopher as the point man, the Clinton administration has long branded Iran as global public enemy No. 1.

"We continue to regard Iran as a dangerous projector of terrorism, a country that's dangerous because they're trying to assemble weapons of mass destruction, and a dangerous country because of their efforts to undermine the Middle East peace process," Mr. Christopher said Thursday at his farewell news conference.

Because of that assessment, the United States already has taken most steps available to it unilaterally to undermine Iran economically. President Bill Clinton has barred almost all U.S. trade with Iran, and Congress has enacted legislation aimed at blocking foreign companies from investing there.

But Washington has not persuaded its allies to join the campaign. Conclusive proof of Iranian complicity in the bombing in Saudi Arabia, officials said, might persuade the allies to support a United Nations sanction resolution. If so, that would be the first and most obvious course to pursue, officials said.

If the United States decided on military action, officials and independent analysts said, the strike would have to be strong enough to inflict damage to "make the Tehran government feel some pain," as an officer put it. But it would also have to be sufficiently restrained to avoid alienating other Muslim countries and allies such as Turkey that have good relations with Iran.

To this end, a number of military projects given high priority by Iranian authorities in recent years stand out as prime targets for U.S. strike aircraft. One would be the Iranian Navy, which comprises about 20 patrol boats armed with surface-to-air missiles, and two Russian-made submarines.

"Iran has put a lot of emphasis on building up its navy, which we could take out very quickly," the U.S. officer said.

But while air attacks against selected targets would fall easily within U.S. capabilities, such a move carries considerable risk of triggering a cycle of revenge by Iranian-sponsored agents.

"If we're not prepared for the counterstrike, then we shouldn't do the strike," the officer warned.

Zbigniew Brzezinski, who as national security adviser to President Jimmy Carter dealt with the captivity of U.S. hostages in Iran, said: "Military action should be taken only if there is absolutely incontrovertible evidence, because in the long run a collision is not in either country's interest. I don't want us to be stampeded into this. We should be looking for a way to close the gap with Iran."

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Aerospatiale And Dassault Weigh Bid for Thomson-CSF

Compiled by Our Staff From Dispatches

PARIS — Aerospatiale and Dassault Aviation SA are considering a joint bid for Thomson-CSF, the government-controlled French defense and electronics company whose sale to Lagardere Group was suspended earlier this month, according to a weekend report in the French daily Le Monde.

The Ministry of Defense has welcomed plans for a bid from Aerospatiale and Dassault, which are in the process of merging, and has invited them to make a formal bid, according to the report.

The paper added that Alcatel Alsthom, a French telecommunications equipment company, might decide to join the bid from the two aerospace companies.

No final bid was likely to be submitted before the conditions of the sale of Thomson-CSF are made public early next month, according to Le Monde.

Jean-Paul Chapon, a spokesman for Alcatel, said Sunday that "no negotiations" could be held on Thomson-CSF until the government had presented its conditions of sale. A spokesman at Aerospatiale headquarters said there would be large areas for cooperation with Alcatel.

The French government was originally going to sell the ailing group for one symbolic franc, after pumping in some 11 billion francs ($2.10 billion) in fresh capital to erase some of Thomson's debt. But a decision to sell Thomson-CSF to Lagardere fell through when an independent privatization committee rejected the terms of the deal.

One of the objections was the terms under which Thomson Multimedia, principally a television set manufacturer, would have been sold off to Daewoo Electronics Co. of South Korea.

Dassault, which makes civil and military aircraft, and Aerospatiale, which operates in the same areas as well as missiles and satellites, are set to merge next year.

Prime Minister Alain Juppe said Thursday that the government would decide in January whether it was to sell Thomson to a company it had selected, or whether it would invite bids from all those interested. *(Bloomberg, AFP)*

Engine of German Toy Industry Goes High Tech

By John Schmid
International Herald Tribune



A train fan examining a switching station at the Cologne fair, which drew 211 manufacturers from 13 countries.

FRANKFURT — Since both the Christmas tree and model trains trace their roots back to Germany, it is hardly a surprise that the nation's toy train industry gets a boost each Christmas.

What might be surprising, though, is that an industry based on nostalgia has rocketed like a bullet train into the digital age.

Even as the German toy market as a whole shows declining sales this year, the model train industry has decoupled from the trend and posted strong growth, thanks to a host of dazzling new digital bells and whistles.

Most model locomotives that will appear this year contain their own digital decoder, which is not unlike the boxes on televisions that unscramble the myriad programs.

This solves a problem that has exasperated toy train fanatics ever since the first electric model was introduced in Germany in 1895: How to run more than one electric train on the same track at the same time.

In the predigital age, running two trains at the same time meant arduously wiring every single stubby section of track with its own transformer and then feeding a riot of cables into a master control.

But today, with only about as many connections as a VCR, digital data interchanges make it easy to run as many trains as one can fit on a layout.

For rail buffs, it gets better. Thanks to recent international agreements to standardize digital technology — such as those with the Federation of European Model Train Operators, in Switzerland, and its U.S. counterpart, the National Model Railroad Association — transformers, decoders and command stations from diverse manufacturers are becoming compatible.

Digitized sound effects can be piped onto the half-timbered model train stations to make platform announcements in several languages. Horns blare. Church bells ring. Jackhammers rattle on scale model construction sites.

Personal computers, meanwhile, can be wired onto train sets to make one the commander of one's own Lilliputian table-top world, down to the cars and trucks that are guided by magnets under the street.

In 1995, a year when German toy sales fell 5 percent, sales of model trains and the myriad accessories in the German-speaking countries chugged 12 percent higher, to 735 million Deutsche marks ($472 million), said Klaus Baumann, spokesman for the Industry Federation for Model Train Exhibitors, in

See TRAINS, Page 12

Steve Jobs: The Return Of the Jedi

Founder Heads Back To Scene of Success

By John Markoff
New York Times Service

SAN FRANCISCO — In a daring gamble to revitalize itself, Apple Computer Inc. has announced that its cofounder, Steve Jobs, will return to the company to help create an operating system based in part on the technology he developed after resigning 11 years ago.

Apple is also acquiring Mr. Jobs's company, Next Software Inc., for $350 million in cash and stock and will assume about $50 million in debt.

Mr. Jobs will be rejoining a company whose market share has eroded in recent years and whose effort to create a more modern operating system has stalled.

His Next Step computer operating system has been widely praised for its advanced features, but the company was never able to gain a significant foothold in the computer industry.

As word spread of Apple's decision Friday, the company's shares rose $1.25, or 5.6 percent, to $23.50.

Mr. Jobs's title will be adviser to the chairman, and he will report directly to Gilbert Amelio, Apple's chairman.

He said he believed he would be able to juggle both his role at Apple and his commitment to his other company, Pixar Inc., which produced the computer animation for "Toy Story," a wildly successful movie for Walt Disney.

It is unclear how Mr. Jobs, who helped create Apple's legendary rebellious culture, will be able to work with the man who was brought in to instill a more conventional corporate culture for the computer maker.

Mr. Amelio said he thought he and Mr. Jobs would be able to coexist. "When you get to be a $10 billion company a certain amount of discipline is required," he said.

Several programmers working on the Mac overhaul said they had been frustrated by a string of weak managers who could not get the project past a rough sketch, even after three years. With Mr. Jobs, they said, they hoped the project could finally move forward.

World Tariff Pact on Technology Is Only First Step

By Seth Schiesel
New York Times Service

NEW YORK — The tentative international agreement hammered out recently in Singapore to eliminate tariffs on a broad range of information-technology products may have elevated some U.S. executives to a state of near-euphoria.

But after sober reflection, industry officials are realizing that any final pact will take years to put in place and may not even address the most important barriers to U.S. technology exports.

If, as expected, enough additional countries do eventually sign on to the World Trade Organization agreement to

NEWS ANALYSIS

bring it into force, the prime U.S. beneficiaries would be semiconductor makers exporting to Europe and telecommunications equipment producers shipping to all regions.

Those product categories, expected to account for almost $40 billion in U.S. exports this year, have faced the highest tariffs overseas.

Yet, many industry leaders and trade officials concede that even in those industry segments U.S. companies would have no guarantees of significantly more business. In fact, if lower tariffs mean brisker global competition, then foreign manufacturers might conceivably gain ground on U.S. information-technology companies.

"There is still work to be done," said Gregory Garcia, assistant vice president for trade regulation at the electronics association, which helped lead a coalition of information-technology groups and corporations that pushed for the agreement. "We have to keep on the issue."

Industry representatives say that U.S. information-technology exports incur $5 billion in foreign duties each year. But nontariff barriers, such as cozy supply arrangements overseas, may pose an even more daunting obstacle.

Not only must more countries join the agreement, but trade partners must also

See WTO, Page 13

CYBERSCAPE

Web Sites Slowly Open Up to the Blind

By Hiawatha Bray
The Boston Globe

BOSTON — Most people who design sites on the World Wide Web never stop to think they might receive a visit from someone like Al Gayzagian. Perhaps if they did, they would make him feel more welcome.

Mr. Gayzagian is nothing like the stereotyped image of a twentysomething hipster hunched over a computer monitor. For one thing, he's a 70-year-old retired insurance company worker. For another, he's blind.

Despite his disability, Mr. Gayzagian is an avid Web surfer. Using software that reads text aloud from the computer screen, he makes his way across the Internet, swapping electronic mail and listening to on-line news reports. Still, Mr. Gayzagian realizes that large portions of the Internet are closed to him.

"You know you're missing something," he said. "You just don't know what you're missing."

That is because many Internet sites are designed in ways that make them difficult for blind people to use. But with the growing popularity of the Internet has come new pressure from disability-rights advocates to make the Internet a more accessible place.

Blind people at first benefited greatly from the invention of personal computers. The early machines, such as the Apple II and the original IBM PC, were controlled by typing various code words. The computer responded by displaying text on the monitor. Blind people could learn to type with relative ease, and programs were developed that could read the computer's responses aloud. So blind people could use personal computers almost as easily as sighted people.

Then came the Apple Macintosh and Microsoft Windows operating systems. These programs use a graphical user interface. To control the computer, a user aims a pointer at buttons and menus on the screen. This was a major advance for most people. But the old screen reader programs did not work with the new software. Blind computer users had to stick with outdated operating systems until Macintosh- and Windows-compatible screen readers came along.

The same cycle has occurred on the Internet. Early users relied on text-only software, so screen readers could be used. But Mosaic, the first graphical Web browser, changed everything. Today, almost all Web pages are designed to take advantage of the graphic capabilities of browsers. Once again, blind computer users have had problems using the new system.

Mr. Gayzagian relies on Lynx, an early Internet browser that readers only the text on a page. He also uses a browser that is specially designed for people with vision problems. The software reads text aloud and displays in extra-large letters on the monitor.

Even so, many Web pages are still closed to Mr. Gayzagian. The reason is that many Web sites use flashy images to convey information to users who can see. But screen readers cannot understand pictures. Unless a piece of descriptive text is also included, a blind Web surfer soon becomes lost. Web designers can easily include these text tags on their sites, but many do not bother.

Web pages also allow formats screen readers cannot handle. For instance, dividing the screen into multiple sections can be visually appealing, but also causes screen readers to malfunction.

These problems could be avoided if sites were designed for easy use by blind people — for instance, by including text tags with all pictures, or text-only versions of the site. The Trace Research and Development Center at the University of Wisconsin has published guidelines for accessible Web-site design. The National Center for Accessible Media has launched a campaign to persuade designers to comply with Trace standards.

Meanwhile, people such as Michael Paciello, a former software engineer at Digital Equipment Corp., are working to ensure that accessibility is built into the very fabric of the Internet. Mr. Paciello is working to get accessibility features built directly into HTML, the software language used to design Web pages. These new features would ensure that designers of screen reader software could easily cope with almost any kind of information displayed on a Web page.

On Internet: Cyberscape@iht.com.

CURRENCY RATES

Dec. 20

Cross Rates

	$	€	DM	F.Fr.	Lire	D.Fl.	B.F.	S.Fr.	Yen	£	Pesata
Amsterdam	1.7435	1.704	1.1222	0.3332	0.1147	—	5.4465	1.2864	1.5277	1.2755	1.3325
Brussels	32.79	32.05	21.51	6.30	2.1564	18.8035	—	23.965	0.2806	23.535	24.65
Frankfurt	1.3563	1.292	—	0.296	0.1017	0.8909	4.653	1.1162	1.302	1.1377	1.1897
London (a)	1.4857	—	1.5899	0.4652	0.1548.97	2.9858	33.3944	2.2257	190.2872	2.2786	218.988
Madrid	127.139	121.289	94.27	24.944	8.57	75.074	4.89	98.117	114.749	98.914	—
Milan	1,579.15	1,506.43	1,170.45	297.48	—	925.58	47.691	1,144.48	13.598	1,177.78	11,478
New York (b)	—	1.4832	1.1518	0.2929	1.526.80	1.1404	22.00	1.304	114.346	1.1607	120.81
Paris	5.2643	5.0435	3.9184	—	0.3405	3.8096	8.164	3.9336	4.4004	3.9452	4.009
Tokyo	1.3348	1.2856	0.9986	0.2539	0.0896	0.96	0.0375	1.0251	1.1971	—	1.046
Toronto	1.2758	1.2223	0.9497	0.2544	0.0877	0.7658	0.0372	0.9737	1.1024	0.9744	1.0203
Zurich	1.3092	1.2549	1.0487	0.2666	1.958.25	2.1785	39.9972	1.4668	142.525	1.2651	163.833
1 ECU	1.2273	1.1759	1.3457	0.3348	1.958.25	2.1785	39.9972	1.4668	142.525	1.2651	163.833
1 SDR	1.432	1.3723	1.2351	1.7483	2,284.93	2.588	46.6509	1.7116	164.179	1.4673	188.256

Closings in Amsterdam, London, Milan, New York, Paris, Toronto and Zurich; fixings in other centers.
a: To buy one pound; b: To buy one dollar; "Units of 100; N.Q.: not quoted; N.A.: not available.

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9958	Greek drac.	247.73	Mex. peso	7.853	S. Afr. rand	4.672
Australian $	1.2574	Hong Kong $	7.737	N. Zealand $	1.4124	S. Kor. won	844.60
Austrian sch.	10.955	Hung. forint	164.67	Norw. krone	6.4725	Swed. krona	6.8347
Brazil real	1.038	Indian rupee	35.82	Phil. peso	26.29	Taiwan $	27.50
Chinese yuan	8.3279	Indo. rupiah	2357.85	Polish zloty	2.86	Thai baht	25.60
Czech koruna	27.37	Irish £	0.6642	Port. escudo	156.84	Turkish lira	105547.
Danish krone	5.9575	Israeli shek.	3.275	Russ ruble	5548.00	UAE dirham	3.6705
Egypt. pound	3.392	Kuw dinar	0.2959	Saudi riyal	3.75	Venez. bolív.	474.50
Fin. markka	4.6425	Malay. ring.	2.5761	Sing. $	1.3994		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6636	1.6623	1.6611	Japanese yen	113.75	113.28	112.83
Canadian dollar	1.3640	1.3611	1.3588	Swiss franc	1.3339	1.3291	1.3256
Deutsche mark	1.5538	1.5527	1.5480				

Source: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); ING (Sydney). Other data from the Associated Press, Bloomberg and Reuters.

Credit Agricole Buying Remainder of Indosuez

Compiled by Our Staff From Dispatches

PARIS — Credit Agricole will own all of Banque Indosuez SA as of Monday, following a decision by Indosuez's corporate parent to accelerate the sale of the barely profitable bank in an effort to reduce debt and improve profit.

The decision by Compagnie de Suez SA to sell the remaining 49 percent of Banque Indosuez to Credit Agricole for 5.6 billion French francs ($1.07 billion) furthers Credit Agricole's ambitions to become a global banking power, the companies said in a statement Saturday.

The sale of Indosuez also relieves Suez of a 4 billion franc debt burden and paves the way for a return to profitability this year. Last year, Suez had a net loss of 3.96 billion francs. It earned a net profit of 772 million francs in the first half of this year.

Credit Agricole first acquired 51 percent of Banque Indosuez, the former foreign-banking flagship of Compagnie de Suez, in July for 6.3 billion francs.

"For us, it now means of course that we're getting the money more quickly," said Michele Meyzie, a spokeswoman for Suez. "For Credit Agricole it now will be easier to restructure Indosuez because they own all of it."

Agricole wants to merge Indosuez with its own operations in investment banking, trading and asset management.

It also wants to unite branch networks in countries where they overlap, such as the United States, Britain and Hong Kong. *(AFP, Bloomberg)*

Global Private Banking

SECURITY IS THE MAIN REASON WHY SO MANY CLIENTS BANK WITH US. AND STAY WITH US.



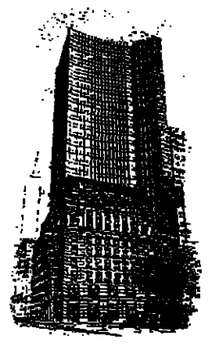
Headquarters of Republic National Bank of New York (Suisse) S.A. in Geneva.

Many private banking clients split their assets three ways. They keep a part for special opportunities. Another part for longer-term growth. And, very importantly, a part they know is absolutely secure.

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We assure security by maintaining some of the strongest capital ratios in the banking industry, a high degree of operating efficiency and a relatively small loan portfolio. Our credit ratings are AA.

Clients sense this security in the quality of our service: personalized, responsive, but meticulously discreet. Which is why they bank with us, and stay with us. Security and service, after all, are the heart and soul of Republic.



World Headquarters of Republic National Bank of New York in New York.

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*Republic National Bank of New York 1996

CAPITAL MARKETS ON MONDAY

Anxiety Runs High as Chicago Board of Trade Plans Expansion

Bloomberg Business News

CHICAGO — Think of musical chairs, only this version includes hundreds of brokers, traders and the world's largest investment houses, with millions of dollars at stake.

The music stops Feb. 18, when a $182 million expansion opens at the Chicago Board of Trade, where members bark orders in the exchange's trading pits.

The floor space, on which futures and options on U.S. Treasury bonds and similar securities are traded, will be expanded to 60,000 square feet (5,400 square meters), about the size of a 747 hangar and more than three times its previous size.

This time, the exchange and its leaders are trying to avoid the conflicts of previous moves, which can shuffle the places where traders stand in the pit and where their customers sit at surrounding desks. While everybody wants the additional space, some members fear losing their best customers to a competitor in the change.

"Right now, there's a lot of anxiety, from the big traders and brokers all the way down," said Stephen Anichini, a broker and co-chairman of the Treasury bond pit committee. "No one likes change."

To ensure decorum, the committee last week was given authority to police the market after the opening and fine members up to $5,000 for fighting, spitting, pushing or other violations of "pit etiquette."

The concerns are particularly noticeable among brokers. Their livelihoods largely depend on a favorable pit location that allows them to buy and sell contracts — hundreds or thousands at a time, collecting about 85 cents for each — on behalf of the largest Wall Street firms or individual investors.

"Their whole business could be up for grabs," said Thomas Raab, an independent 5-year Treasury note trader.

A good pit position is crucial. A spot on the top step and closest to the large trading firms offers the best view of market action and access to incoming orders from nearby telephone brokers.

Most orders are conveyed through complex hand signals, rather than an exchange of paper, so proximity is paramount. If history is any guide, the first few days after the move could get rough.

When the Chicago Mercantile Exchange spent $27 million to expand its huge Eurodollar pit in July 1993, brokers lined up through the night to get the best spot for the 7:20 A.M. opening. Scuffles ensued for prime real estate.

What's more, after a 1994 renovation at the Chicago Board of Trade, a fight erupted in the 10-year Treasury note pit over a spot on the top step.

"We are trying to alleviate any of these problems" now, said Mr. Anichini, who is organizing the move along with other members of the pit committee. "We have learned from the Merc" and other exchanges that overhauled their trading floors.

The Chicago Board of Trade has spent the past several weeks taking each pit to the new floor for orientation, allowing traders to get their bearings and stake out space. Orientation will last through the end of the month, and mock trading sessions are to begin in January.

Within each market, the pit committee has been working closely with large brokers and traders to determine their positions on the top step. Clerk and broker positions within the pit will be resolved next, allowing smaller locals to choose their spots.

"In bond trading, as in real estate, location, location, location is important," said Patrick Arbor, the exchange's chairman, who considers an orderly move among his top priorities. Still, "we are not going to assign space. This is a democratic organization."

If all else fails, the hierarchy of Chicago's trading pits, where as much is understood as is written, could help prevent a land rush. A trader who oversteps his bounds could be shut out.

Most everyone recognizes that some disputes are likely. "There will be some pushing — there is probably going to be a few rough spots," said James Doheny Jr., co-chairman of the bond options pit committee and a broker. "But I don't anticipate any great problem."

Most eyes are trained on the Treasury bond pit, which will grow by about 25 percent although it has a narrow top step. Moreover, even after trading begins, orders could flow from pretty much any corner of the room, depending on the best sight lines between the markets.

Traders and brokers rely on a good view of surrounding pits and the overhead price boards to keep them up to date with markets around the world.

In a best-case scenario, trading volume would rise and there would be more business for everybody. The Chicago Board of Trade this year is expected to post record trading volume, and Mr. Arbor said he expected trading activity in 1997 to approach that of this year.

If volume stabilizes or grows, many stand to benefit. David Garside, a 10-year Treasury options broker, said he thought better visibility to the surrounding brokers could allow him to fill more contracts. Currently, six headsets keep him in touch with important customers.

"We will have some sight lines that we don't have here," he said. "So we have the potential of picking up some customers." But at whose expense?

Most Active International Bonds

The 250 most active international bonds traded through the Euroclear system for the week ending Dec. 20. Prices supplied by Telekurs.

Rnk	Name	Cpn	Maturity	Price	Yield
Australian Dollar					
233	Australiagov	6¾	11/15/06	95.6980	7.0500
Austrian Schilling					
213	Austria	6⅞	06/20/05	106.2500	6.4700
Belgian Franc					
170	Belgium	9	03/28/03	119.45	7.5300
British Pound					
47	Britain	7	06/07/02	98.4688	7.1100
120	Britain Treasury	8	09/25/09	102.2500	7.8200
153	World Bank	zero	07/17/00	78.3750	7.0500
190	Halifax BS	8¾	07/10/06	102.6250	8.5300
Canadian Dollar					
158	Canada	7	12/01/06	102.5000	6.8300
Danish Krone					
3	Denmark	8	03/15/06	109.0000	7.3400
31	Denmark	9	11/15/98	108.7800	8.2700
33	Denmark	8	11/15/01	110.6300	7.2300
37	Denmark	9	11/15/00	113.5600	7.9300
40	Denmark	7	12/15/04	103.8500	6.7400
45	Denmark	8	05/15/03	110.1100	7.2700
52	Denmark	7	11/15/07	100.9500	6.9300
57	Denmark	7	08/15/97	102.2000	6.8500
60	Denmark	7	11/10/24	93.3000	7.5000
62	Denmark	7	02/15/98	103.6200	6.7600
75	Denmark	6	12/10/99	103.8500	5.7800
91	Denmark	6	11/15/02	101.0500	5.9400
206	Denmark	6	02/15/99	103.7200	5.7800
211	Real Kredit Den	6	10/01/26	85.8500	6.9900
218	Nykredit 3 Cs	6	10/01/26	86.0500	6.9700
Deutsche Mark					
1	Germany	6¼	04/26/06	102.5360	6.1000
2	Germany	6½	10/14/05	104.1000	6.2400
4	Germany	6	01/05/06	100.7175	5.9600
5	Germany	8	01/21/02	113.40	7.0500
7	Germany	8¼	09/20/01	114.0467	7.2300
9	Germany	6⅞	05/12/05	106.8600	6.4300
10	Germany	7⅜	01/03/05	110.1800	6.6900
11	Germany	5	08/20/01	101.7400	4.9100
12	Germany	5	05/21/01	101.8550	4.9100
13	Germany	6	02/16/06	100.7440	5.9600
14	Germany	8	07/22/02	113.7800	7.0300
15	Treuhand	6⅜	07/01/99	106.0300	6.0100
16	Treuhand	7½	09/09/04	111.0200	6.7600
17	Germany	5¼	09/22/00	104.4700	5.5000
19	Treuhand	6¾	05/13/04	106.5700	6.3300
20	Germany	3½	09/18/98	100.0500	3.5000
21	Germany	7½	11/11/04	111	6.7600
22	Germany	5¼	02/21/01	102.5780	5.1200
23	Treuhand	6⅝	07/09/03	106.2300	6.2400
24	Treuhand	7⅛	01/29/03	109.1825	6.5300
25	Treuhand	6½	04/23/03	105.8000	6.1400
27	Treuhand	6⅝	06/11/03	107.6700	6.3900
28	Treuhand	7⅜	12/02/02	110.6200	6.6700
29	Germany	8¾	08/20/01	115.9900	7.5400
30	Germany	8⅞	12/20/00	115.4200	7.6900
32	Germany	6½	07/15/03	105.6600	6.1500
34	Germany	5⅛	11/21/00	102.3300	5.0100
35	Germany	8½	02/20/01	114.2600	7.4400
36	Germany	9	01/22/01	116.0380	7.7600
38	Treuhand	7¾	10/01/02	112.40	6.9000
41	Germany	8⅜	05/21/01	114.1950	7.3300
42	Germany	6¼	01/04/24	93.3667	6.6900
46	Treuhand	6½	03/04/04	103.7240	6.0300
48	Germany	7⅛	12/20/02	109.4057	6.5100
49	Germany	9	10/20/00	115½	7.7900
51	Germany	5¼	11/20/97	101.7700	5.1600
54	Treuhand	6	11/12/03	102.6933	5.8400
55	Germany	5⅞	05/15/00	104.9800	5.6000
58	Germany	6	09/15/03	103.1960	5.8100
59	Germany	8¼	07/21/97	102.8300	8.0200
61	Germany	6¾	09/15/99	107.3500	6.2900
63	Germany	7	12/22/97	103.6400	6.7500
66	Germany	6¾	07/15/04	106.5600	6.3300
67	Germany	6⅞	12/02/98	106.1100	6.4800
68	Germany	6½	03/15/00	106.9200	6.0800
70	Germany	6⅛	05/20/99	105.4800	5.8100
71	Germany	6¾	04/22/03	107.1150	6.3000
73	Germany	8½	08/21/00	113.4720	7.4900
74	Germany	7¼	10/21/02	110.0200	6.5900
76	Germany	6	02/20/98	103.0300	5.8200
77	Treuhand	6¼	07/29/99	105.8600	5.9000
78	Germany	8¾	07/20/00	114.1700	7.6600
84	Germany	6	06/20/16	93.4300	6.4200
85	Germany	zero	01/17/97	99.7807	2.8000
86	Germany	7½	10/20/97	103.4300	7.2500
87	Germany	5⅝	02/22/99	103.6700	5.1800
88	Germany	7	01/13/00	108.2400	6.4700
93	Germany	6⅝	01/20/98	103.4700	6.4000
95	Germany	8	09/22/97	103.5100	7.7300
97	Germany	5¾	05/28/99	104.5100	5.5000
98	Germany	6⅝	05/20/98	104.1100	6.1200
99	Germany	5¾	08/20/98	103.6633	5.5500
102	Germany	5¼	10/20/98	103.1100	5.0900
107	Germany	5¼	02/25/98	102.1900	5.1400
108	Treuhand	6⅝	03/26/98	103.4033	5.9200
111	Treuhand	7	11/25/99	108.1800	6.4700
113	Germany	6¾	08/14/98	104.5700	6.1000
114	Germany	5¾	08/20/97	101.6100	5.6600
118	Treuhand	6⅛	06/25/98	103.9100	5.8900
123	Treuhand	5	12/17/98	102.7100	4.8700
131	Germany	6¼	02/20/98	103.3200	6.0500
132	Ba Credit Card	6	11/15/05	101.1333	5.9300
135	Germany	8	03/20/97	101.1600	7.9100
137	Germany	8⅛	01/20/97	100.3713	8.3400
139	Germany	7¼	10/20/97	103.2300	7.0200
140	Germany	8¼	05/22/00	113.8700	7.6800
142	Treuhand	5	01/14/99	102.7467	4.8700
147	Germany	zero	04/18/97	99.0157	3.0500
152	Treuhand	5¾	04/29/99	104.5100	5.5000
155	Treuhand	5⅝	09/24/98	103.6000	5.4300
168	Germany	6¾	05/02/03	106.4850	6.3400
169	Germany	7¼	01/20/00	108.9000	6.6600
173	Brazil Rep	13	04/15/12	104.5000	12.4400
176	Capital Credit	5⅝	08/15/01	102.6623	5.4800
180	Rheinhyp Fin	6	12/18/06	98.7900	6.0700
182	Germany	6⅞	02/24/99	106.6000	6.4500
199	Credit Local	5½	10/18/00	102.7350	5.3500
205	Germany	6⅝	01/20/98	103.2500	6.1700
214	Samsung Elec	5⅝	12/16/01	99.1000	5.4200
221	Germany	7¾	02/21/00	110.3950	7.0200
226	World Bank	7⅛	04/12/05	108.1500	6.5900
228	Germany	8	05/02/02	112.7800	7.0900
231	Germany	6⅛	03/20/98	103.3500	5.9300
232	Hokkaido Elec	5	12/18/01	99.6622	5.0200
237	Germany	6⅝	05/20/97	101.2500	6.3000
238	Spain	7¼	03/04/03	108.6500	6.6700
Dutch Guilder					
18	Netherlands	6¼	07/15/98	104.2000	6.0000
69	Netherlands	6	01/15/06	101.7900	5.8900
72	Netherlands	5¾	09/15/02	103.3500	5.5600
81	Netherlands	7	03/15/99	106.9500	6.5500
96	Netherlands	9	05/15/00	114.8000	7.8400
103	Netherlands	9	01/15/01	116.1500	7.7500
105	Netherlands	8¼	02/15/00	111.8500	7.3800
110	Netherlands	7¼	10/01/04	110½	6.5600
112	Netherlands	6¾	11/15/05	106.8500	6.3200
122	Netherlands	8¾	09/15/01	116.5900	7.5000
124	Netherlands	7½	01/15/23	111.90	6.7000
125	Netherlands	8¼	02/15/02	115	7.1700
129	Netherlands	8¼	02/15/07	117.9500	6.9900
130	Netherlands	7½	04/15/10	112.6500	6.6600
133	Netherlands	8½	06/01/06	119.3000	7.1200
141	Netherlands	7	02/15/03	109.4500	6.4000
149	Netherlands	5¾	01/15/04	101.8500	5.6500
151	Netherlands	8¼	06/15/02	115.40	7.1500
154	Netherlands	6½	04/15/03	106.7000	6.0900
156	Netherlands	7½	11/15/99	109.4500	6.8500
159	Netherlands	7½	06/15/99	108.5500	6.9100
161	Netherlands	8½	03/15/01	114.6000	7.4200
162	Netherlands	7	06/15/05	108.6000	6.4500
163	Netherlands	7¾	03/01/05	113½	6.8300
179	Netherlands	8¾	05/01/00	113¾	7.6900
196	Netherlands	6¾	10/01/98	105.4500	6.4000
198	Netherlands	7	08/15/99	107.6500	6.5000
207	Netherlands	6½	07/15/98	104.5500	6.2200
230	Netherlands	zero	01/15/23	16¾	7.0900
240	Netherlands	9	07/01/00	115.0500	7.8200
ECU					
104	France OAT	7½	04/25/05	109.3750	6.8600
115	France B.T.A.N.	7¼	03/16/98	103.6300	7.0000
119	France OAT	6	04/25/04	100.9000	5.9500
127	France OAT	7	04/25/06	106.3300	6.5800
146	Britain	9⅛	02/21/01	114.8500	7.9500
171	France B.T.A.N.	5	03/16/99	101.5400	4.9200
178	France OAT	6¾	04/25/02	106.4500	6.3400
181	France OAT	9½	04/25/00	114.9500	8.2600
184	UK T-note	5	01/26/99	101.2433	4.9400
202	France B.T.A.N.	6	03/16/01	104.0100	5.7700
250	Italy	9¼	03/07/11	123.22	7.5200
Finnish Markka					
203	Finland	7¼	04/18/06	105.5715	6.8700
249	Finland Sr	10	09/15/01	120.4980	8.3000
French Franc					
186	France B.T.A.N.	5½	10/12/01	103.4400	5.3200
193	France B.T.A.N.	5¾	03/12/98	102.7900	5.5900
219	France OAT	5½	04/25/04	100.5100	5.4700
245	France OAT	8½	04/25/23	121.7100	6.9800
247	France OAT	7¾	10/25/05	114.3000	6.7800
Italian Lira					
223	Italy	9½	05/01/01	109.8700	8.6500
Japanese Yen					
144	Spain	3.1000	09/20/06	103.6250	2.9900
165	Salts 2		03/18/97	100.0012	-
187	World Bank	4½	12/22/97	104.0000	4.3300
201	EIB	3	09/20/06	103.2500	2.9100
204	World Bank	5¼	03/20/02	118	4.4500
224	World Bank	4½	03/20/03	115⅛	3.9100
Spanish Peseta					
126	Spain	10.10	02/28/01	113.9680	8.8600
166	Spain	10½	10/30/03	120.0831	8.7400
197	Spain	8.4000	04/30/01	108.2070	7.7600
236	Spain	10.90	08/30/03	120.0290	9.0800
244	Spain	8.8000	04/30/06	111.6760	7.8800
Swedish Krona					
56	Sweden	11	01/21/99	112.2070	9.8000
121	Sweden 1036	10¼	05/05/00	115.0650	8.9100
160	Sweden	6	02/09/05	96.1810	6.2400
194	Sweden	13	06/15/01	128.3670	10.1300
217	Sweden 1037	8	08/15/07	108.3500	7.3800
U.S. Dollar					
6	Argentina FRNL	6⅝	03/29/05	83.9125	7.9000
8	Brazil Cap S.L.	4½	04/15/14	77.0041	5.8400
26	Argentina par L	5¼	03/31/23	61.6875	8.5100
39	Venezuela S. DI	6½	12/18/07	84.0000	7.7400
43	Mexico	11½	05/15/26	103.3750	11.1200
44	Brazil L	6½	04/15/06	86.9375	7.4800
50	Venezuela par A	6¾	03/31/20	74.0625	9.1100
53	Brazil 910.0	6⁹⁄₁₆	01/01/01	96.6563	6.9200
64	Bulgaria	6⁹⁄₁₆	07/28/11	50.7825	13.1700
65	Italy	6⅞	09/27/23	95.0000	7.2400
79	Mexico par A	6¼	12/31/19	72.0417	8.6800
80	Brazil S.ZI	6½	04/15/24	76.3125	8.5200
82	Bulgaria	6⁹⁄₁₆	07/28/24	55.6875	12.0100
83	Mexico par B	6¼	12/31/19	72.0313	8.6800
89	EIB	zero	11/06/26	13¼	6.9900
90	Brazil par ZI	5	04/15/24	61.8438	8.0800
92	Brazil S.L	6⅝	04/15/12	74.9063	8.7600
94	Ecuador	3	02/28/15	61.3526	4.8900
100	NTT	6⅛	12/13/01	100.0000	6.1300
101	Caisse Amort	5.3593	12/10/01	99.7300	5.3700
106	Argentina L	6⅝	03/31/23	75.1875	8.4800
109	Brazil Cbond S.L	4½	04/15/14	80.1304	5.6200
116	Mexico D	6.3516	12/28/19	85.4001	7.4400
117	Argentina	11	10/09/06	102.1250	10.7700
128	Mydfa Trust	6⁹⁄₁₆	09/15/07	85.4400	7.8300
134	Panama pdi	4	07/17/16	75.6250	5.2900
136	Bulgaria	2¼	07/28/12	37.6250	5.9800
138	Ferrovie Dello	9⅛	07/06/09	118½	7.7000
143	Argentina	5⅝	04/01/01	122.0750	4.4000
145	EIB	7⅛	09/18/06	103.5000	6.8800
148	Ecuador par	3¼	02/28/25	44.8750	7.2400
150	Internat.Bank	5.6800	09/27/99	99.2672	5.7200
157	Mexico	11⅜	09/15/16	102.1250	11.1400
164	Rose A3a	5.7552	11/16/01	100.0000	5.7600
167	Bayerische LB	6½	11/19/01	100.3750	6.4800
172	Mexico	7⅝	08/06/01	100.1800	7.5500
174	Brazil S.L	6⅝	04/15/09	80.8113	8.1200
175	Poland	4	10/27/14	83.4375	4.7900
177	Sweden	5¾	02/08/01	99.9500	5.3800
183	Bank Korea	6½	11/15/06	98.8694	6.5700
185	Argentina	8⅜	12/20/03	92.6250	9.0400
188	Venezuela par B	6¾	03/31/20	74.1875	9.1000
189	Sallie Mae	4½	08/02/99	96.1250	4.6800
191	Mexico A	6.4531	12/31/19	85.3750	7.5600
192	Ministry Russ	9¼	11/27/01	96.8750	9.5500
195	Nigeria	6¼	11/15/20	65.1250	9.6000
200	Bayer Hypo.&	zero	10/25/06	51.4023	6.9800
208	Canada	6¾	08/28/06	100.3750	6.7200
209	Mbl Fin	zero	12/18/01	67.0000	8.3400
210	Mexico	9¾	02/06/01	102.5000	9.5100
212	World Bank	8⅛	03/01/01	107.8750	7.5300
215	InstitDe Cred	6	01/02/02	98.1250	6.1100
216	Ontario	5¾	11/07/00	97.8300	5.8800
220	Poland	6½	10/27/24	97.0625	6.7000
222	Italy	5.5938	07/26/99	100.3900	5.5700
227	Mexico C	6¾	12/31/19	85.4833	7.4600
229	Indosuez Capital		12/18/08	99.7450	-
234	World Bank	6⅝	08/21/06	100.2500	6.6100
235	Philippines	6¼	12/01/17	89.3750	6.9900
239	Korea Elec Pwr	6¾	12/01/03	97.2500	6.5600
241	Belgium	5½	11/05/03	94.8750	5.8000
242	Ontario	7⅛	01/27/03	104.0000	7.0900
243	Norsk Hydro As	8¾	10/23/01	108.2500	8.0800
246	Finland	5⅞	02/27/06	94.5000	6.2200
248	World Bank	8⅛	10/01/99	106.5000	7.8600

Bond Traders Decide to Play It Safe

Compiled by Our Staff From Dispatches

NEW YORK — The fervor for securities that propelled U.S. bonds to their biggest one-day gain in seven weeks could ease this week as investors look to protect their hard-earned gains for the year.

"Earlier in the year, people took some big hits they had to recover from," said Creston King, a manager for U.S. Global Investors Inc. in San Antonio, Texas. "They don't want to take any chances now."

The skittishness of investors and traders in the past week was evident in the wide swings in bonds, which slumped, then soared as investors sifted through economic reports for signs of inflationary growth.

The yield on the benchmark 30-year U.S. Treasury bond was closed Friday at 6.60 percent, up from 6.58 percent last week.

The long bond's yield climbed as high as 6.70 percent Wednesday after lukewarm demand at the Treasury's sale of $18.25 billion in two-year notes, only to set the stage for the strong demand at the government's auction of $12.5 billion in five-notes on Thursday. As result, bond prices rallied, sending yield tumbling to 6.58 percent.

Although many investors are expected to be on the sidelines during much of the Christmas holiday-shortened week, anticipation of slow economic growth and inflation will keep yields from rising much in the weeks ahead, traders said.

"The fundamentals for U.S. bonds are fantastic," said Thomas Carpenter, a managing director at ASB Capital Management.

Slow growth and a low risk that inflation will accelerate suggest bond yields can drop to 6.00 percent in the next two or three months, Mr. Carpenter said.

Those expectations were bolstered Tuesday when the Federal Reserve System declined to temper growth by keeping borrowing rates unchanged at its policy board meeting.

Reports Thursday on initial jobless claims and slowing manufacturing growth in the mid-Atlantic region also helped to foster investor's confidence.

Even so, price movements could be exaggerated in the days ahead if this

U.S. CREDIT MARKETS

week's slew of economic reports presents some surprises with few traders at their desks.

"Any number out of line will cause some volatility due to the fact the big guys will be off the desks having a little Christmas cheer," Mr. King said.

A slate of economic releases this week feature personal income and spending reports, initial jobless claims and the durable goods orders report in November.

The Commerce Department will kick off the week with the release Monday of its monthly report on personal income and spending. Americans' incomes likely increased 0.6 percent during the month, more than the 0.1 percent gain in October, analysts said.

Spending, which makes up two-thirds of the economy, increased 0.3 percent in November, the survey will probably show. In October, spending advanced 0.5 percent.

Even so, the Commerce Department report is expected to give little insight to the economy because much of the news has been reflected in other economic indicators.

Traders and investors will more likely be on the lookout for clues on how the final days of the holiday shopping season shape up. "I would tend to think the statistics we're going to be waiting for is a better look at retail sales," said Steven Saslow, executive managing director at HSBC Securities in New York.

Further insight may be drawn from the weekly unemployment claims and durable goods reports on Friday.

"Probably the most important number to be produced, that normally isn't overwhelmingly important, is the unemployment insurance claims number," Mr. Carpenter said.

On Thursday, the government reported a "substantial correction" to its count of first-time jobless claims for the week ended Dec. 7, raising it to 350,000 from the originally reported 317,000. Claims rose 1,000 in the week ended Dec. 14 to 351,000, the government said.

"The people who are looking for a softening economy will derive a lot of corroboration if that number stays in that 350,000 area," Mr. Carpenter said.

The report will be released one day later than usual because of the Christmas holiday.

Durable goods orders are projected to rise by 0.2 percent last month, compared with a gain of 0.1 percent in October.

But Mark Vitner, an economist at First Union, said that any strength in the fourth quarter would be deceptive. "I don't think there is stronger growth in the coming months," he said. "We think the economy is losing momentum."

"We think the next move by the Fed is more likely to be an ease than a tightening," he said, adding that he expected move in April or May.

Mr. Vitner said the economy would probably show decent growth in the fourth quarter in the order of 2.8 percent, but that it would probably decelerate to 1.4 percent in the first quarter and further to 0.9 percent in the second quarter.

For that reason, he said, he is "fairly bullish" on bonds.

(Bloomberg, Bridge News)

TRAINS: *Locomotive of the German Toy Industry Goes Digital*

Continued from Page 11

Stuttgart. This year, he predicted, sales will rise an additional 5 percent.

Roland Gaugele, spokesman for Gebrueder Maerklin GmbH, Germany's biggest and most venerated maker of toy trains, said: "Electronics certainly have put a shine back on the image of model railroading. Sales at Maerklin, a family-owned company, reflect that trend. They have risen steadily throughout the decade. They rose to 263 million DM last year, up from 243 million DM in 1994.

A third of the parts sold by Maerklin are digital, the company said. "Digital is the future," said Peter Scheele, a wholesale distributor of digital accessories.

The industry is big enough to support its own trade fair every two years in Cologne and to dominate much of the attention each year at another annual toy industry fair in Nuremberg, the country's model train capital.

As a showcase for the latest novelties, the exhibition in November in Cologne attracted 211 manufacturers from 13 countries. Suppliers like Maerklin displayed off-the-shelf software that allows hobbyists to design layouts on screen, optimize space and make sure each part fits exactly, and then print out a price list for the drafted parts.

Germany's fascination with little electric trains has defied economic cycles. During the Depression in the 1930s, Maerklin's company history boasts that demand was stable enough to avoid layoffs, Mr. Gaugele said. One hobbyist group at the exhibition estimated there were 5 million to 6 million fans in German-speaking countries.

Extravagant prices and the time it takes to painstakingly create perfect demi-worlds — where everything is tidy and trains glide past spotted cows relaxing on hillsides — begs a question: Why?

If you ask a model rail buff, says Thomas Hilge, editor of the monthly MIBA Miniature Bahnen trade journal, they will say merely that they are rail buffs. But psychologically, they might be yearning for a world that no longer exists "except in pictures, memories and dreams," Mr. Hilge said.

One thing is certain: Those trains under the tree probably are not for the kids, who generally want computer games, said Marcus Oswald, operator of a model train store in Frankfurt.

Displaying a starter set with a three-car German InterCity Express ICE train and a loop of track — for 469 DM — Mr. Oswald said grown men were the most avid collectors. A single locomotive can cost 300 DM or 400 DM, but from there, collectors are limited only by the size of their budget and their tabletops.

Many are retirees who have the time, money and an empty house where the children have moved out, Mr. Scheele said. In their own parlance, train enthusiasts never "play" with their trains; they are "operators." In a digitalized world, some things remain timeless.

"Often a father gives his son a train and then plays with it himself," Mr. Gaugele said.

The Week Ahead: World Economic Calendar, Dec. 23-27

A schedule of this week's economic and financial events, compiled for the International Herald Tribune by Bloomberg Business News.

	Asia-Pacific	Europe	Americas
Expected This Week	**Company meetings:** Philippine Racing Club. **Annual meetings:** Dovechem Terminal Holdings Ltd., Heshe Holdings Ltd.	**Wiesbaden, Germany:** Preliminary West German cost of living for December may be released, possibly Monday. **Frankfurt:** Bundesbank may publish minimum reserves target for December. **Company meeting:** Sci SpA.	**Caracas:** Venezuela's Deposits Guarantee Fund sells the government's 99.92 percent stake in Custravalca through a public auction, scheduled for Monday. The results are released the same day.
Monday Dec. 23	**Company meetings:** Bousteadco Singapore Ltd., International Philippines Inc., Palawan Consolidated Mining Co. **Annual meetings:** Scotts Holdings Ltd.	**Frankfurt:** Bundesbank to call for bids on securities repurchases. **Rome:** Bank of Italy holds Treasury bill and zero-coupon bond auctions; Treasury Ministry indicates amount of bonds it sells at its bond auctions Dec. 30.	**Ann Arbor, Michigan:** University of Michigan releases its final index of consumer sentiment for December. **Mexico City:** October mining output. **Washington:** U.S. Agriculture Department releases weekly report on planting progress for seven crops.
Tuesday Dec. 24	**Tokyo:** The Economic Planning Agency releases the diffusion index; Japan Department Store Association releases sales data for nationwide department stores for November; November vehicle production.	**London:** Office for National Statistics publishes monthly digest of statistics. British trade in goods. **Paris:** Budget Ministry releases October current-account figures, and INSEE issues December business confidence survey.	**Early market closings** for Christmas Eve holiday: **New York:** Johnson Redbook research service releases its weekly survey of total sales at more than 20 U.S. department, discount and chain stores.
Wednesday Dec. 25	**Tokyo:** Cabinet scheduled to approve budget plan for fiscal 1997; Japan Chainstore Association releases sales figures for supermarkets in November; crude oil imports for November.	**Christmas Day.** All markets closed.	**Christmas Day.** Markets closed.
Thursday Dec. 26	**Tokyo:** Data on vehicle exports for November; data on overtime hours worked in November; construction orders and housing starts in November; sales figures for large scale retail stores in November; industrial production numbers for November.	**Boxing Day.** Markets closed.	**Washington:** Mortgage Bankers Association of America releases weekly report on mortgage applications; initial weekly state unemployment compensation insurance claims; Federal Reserve System reports weekly money supply.
Friday Dec. 27	**Manila:** Philippine government holds auction for television station Channel 13. **Tokyo:** Corporate service price index for November; employment statistics for November.	**London:** Markets open 8:30 A.M. to 12:30 P.M. **Frankfurt:** Bundesbank to call for bids on securities repurchases. **Paris:** INSEE releases November household consumption index.	**Buenos Aires:** Industrial production statistics for November. **Washington:** Federal Reserve System releases its weekly report on commercial and industrial loans. **Company meetings:** Citicorp Equity Investments SA.

New International Bond Issues

Compiled by Paul Floren

Issuer	Amount (millions)	Mat.	Coup. %	Price	Price end week	Terms
Floating Rate Notes						
BTC Capital Trust	$250	2026	0.75	98.0221	—	Over 3-month Libor. Callable at par in 2007. Denominations $100,000. (Bear Stearns.)
Kookmin Bank	$200	2007	0.60	100	—	Over 6-month Libor. Reoffered at 99.872. Callable in 2002, thereafter interest will be 1.225% over 6 month Libor. Fees 0.325%. (Chase Manhattan Asia.)
ING Verzekeringen	Y10,000	2000	1	104.85	—	Over 3-month Libor. Noncallable. Fees not disclosed. (Paribas Capital Markets.)
Fixed-Coupons						
Swedish Export Credit	£110	1999	6.60	100	—	Semi-annually. Noncallable. Fees not disclosed. (International Bank of Japan.)
Dresdner Finance	FF 500	2008	6¼	102.908	101.25	Reoffered at 101.258. Noncallable. Fungible with outstanding issue raising total amount to 2.5 billion francs. Fees 2%. (Banque Nationale de Paris.)
Credit Local de France	ECU 100	2003	5¾	101.55	99.90	Noncallable. Fees 1⅞%. (Banque Internationale a Luxembourg.)
World Bank	NZ$200	2002	7¼	101.505	99.64	Noncallable. Fees 1⅞%. (Toronto Dominion.)

Last Week's Markets

Stock Indexes

	Dec. 20	Dec. 13	% Ch'ge
United States			
DJ Indus.	6,484.40	6,304.87	+ 2.85
DJ Util.	234.98	228.55	+ 2.81
DJ Trans.	2,270.47	2,248.89	+ 0.96
S & P 100	728.87	705.84	+ 3.26
S & P 500	748.87	728.64	+ 2.78
S & P Ind	878.09	857.48	+ 2.40
NYSE Cp	394.11	384.07	+ 2.61
Nasdaq Cp	1,288.54	1,287.57	+ 0.08
Japan			
Nikkei 225	19,690.46	20,341.39	—3.20
Britain			
FTSE 100	4,077.60	3,972.40	+ 2.65
Canada			
TSE Indus.	5,869.66	5,706.88	+ 2.85
France			
CAC 40	2,278.53	2,203.41	+ 3.41
Germany			
DAX	2,854.45	2,799.71	+ 1.96
Hong Kong			
Hang Seng	13,131.41	12,784.07	+2.72
World			
MSCIP	812.96	807.85	+0.63

World index from Morgan Stanley Capital Intl Perspective.

Money Rates

	Dec. 20	Dec. 13
United States		
Discount rate	5.00	5.00
Prime rate	8¼	8¼
Federal funds rate	5⅝	5¼
Japan		
Discount	0.50	0.50
Call money	0.44	0.44
3-month interbank	0.53	0.53
Britain		
Bank base rate	6.00	6.00
Call money	6.00	5⁹⁄₁₆
3-month interbank	6⅜	6⁵⁄₁₆
France		
Intervention rate	3.15	3.20
Call money	3¼	3¼
3-month interbank	3⅝	3⅜
Germany		
Lombard	4.50	4.50
Call money	3.02	3.10
3-month interbank	3.25	3.25

Gold	Dec. 20	Dec. 13	% Ch'ge
London p.m. fix. $	369.00	369.00	Unch.

Euromarts

Eurobond Yields

	Dec. 20	Dec. 13	Yr high	Yr low
U.S. $, long term	6.49	6.40	7.28	6.17
U.S. $, mdm term	6.05	5.94	6.81	5.61
U.S. $, short term	5.88	5.86	6.48	5.19
Pounds sterling	7.43	7.36	7.88	6.99
French francs	4.97	4.92	6.38	4.91
Italian lire	7.29	7.36	10.45	7.29
Danish kroner	5.69	5.69	6.51	5.69
Swedish kronor	5.55	5.62	8.55	5.55
ECUs, long term	6.16	6.03	7.50	6.03
ECUs, mdm term	5.04	5.00	6.56	4.93
Can. $	5.83	5.78	7.41	5.54
Aus. $	7.24	7.22	9.04	7.09
N.Z. $	7.27	7.27	9.37	7.04
Yen	1.80	1.80	2.78	1.76

Source: Luxembourg stock exchange.

Weekly Sales

Dec. 20

Primary Market

	Cedel Bk $	Cedel Bk Nos$	Euroclear $	Euroclear Nos$
Straights	17.0	541.4	17,832.1	877.1
Convert.	44.6	26.3	251.9	0.0
FRNs	361.5	774.9	1,772.6	581.2
ECP	8,270.2	10,221.5	16,031.3	13,322.4
Total	8,693.3	11,564.1	35,887.9	14,780.7

Secondary Market

	Cedel Bk $	Cedel Bk Nos$	Euroclear $	Euroclear Nos$
Straights	17,832.1	17,725.4	59,536.7	30,634.5
Convert.	787.6	800.4	2,742.5	1,544.8
FRNs	14,899.8	4,504.4	51,461.3	6,269.5
ECP	13,232.6	16,259.8	18,432.9	22,931.8
Total	46,552.1	39290.01	132,173.4	61,379.8

Source: Euroclear, Cedel Bank.

Libor Rates

	1-month	3-month	6-month
U.S. $	5⁹⁄₁₆	5⅝	5⅝
Deutsche mark	3⅛	3¼	3¼
Pound sterling	6½	4⅞	6¾
French franc	3⅛	3⅛	3⅞
ECU	4⁹⁄₁₆	4⅞	4⅞
Yen	½	½	½

Sources: Lloyds Bank, Reuters.

SHORT COVER

CalEnergy Close to U.K. Takeover

LONDON (Bloomberg) — CalEnergy Co. said Sunday it had received acceptances from owners of 50.03 percent of Northern Electric PLC's shares, although the U.S. utility must now wait for Britain's regulatory takeover agency, to approve its £923 million ($1.53 billion) hostile offer for Northern.

By Friday, CalEnergy had gained control of 49.77 percent of the British electricity supplier, just short of the 50 percent required for a successful takeover, said the investment house CS First Boston Ltd., which is acting on behalf of CalEnergy. Since then, CalEnergy has received more acceptances of its offer to Northern's shareholders.

China Bans New Oil Refineries

BEIJING (AFP) — China's State Planning Commission has issued a ban on all new oil refineries until the year 2000, to allow demand to catch up with supply.

The ban does not apply to foreign-funded projects, a top commission official, Zhao Yongjin, was quoted as saying by the China Daily on Sunday.

China developed too many refineries in the past few years after posting high profits, Mr. Zhao said, citing the 116 refineries being operated in 1995 by China Petrochemicals Corp., China National Petroleum Corp. and the People's Liberation Army.

Foreign Labor Under Fire in Israel

JERUSALEM (Reuters) — The cost of employing a foreign worker in Israel will go up by 5,532 shekels ($1,690) a year if a package of recommendations on tax and other benefits is adopted, the Treasury said Sunday.

Under the proposals formulated by a Treasury committee, employers would have to pay 300 shekels for a permit to employ a foreign worker and a 3,000 shekel annual fee once the permit is granted. In addition, employers would be required to help contribute 700 shekels a month per worker to a social-security fund for foreign workers. The money would be paid to the worker as long as he or she left Israel before the permit expired, the Treasury said.

The committee also recommended eliminating various tax benefits for foreign workers.

"These special benefits are one of the reasons that the cost of employing foreign workers is less than employing local workers and this goes against the government's policy of minimizing the number of foreign workers in Israel," the Treasury said.

More Danes Support Money Union

COPENHAGEN (Reuters) — A new opinion poll showed a sharp rise in Danish support for monetary union in Europe, with 46 percent in favor of dropping Denmark's opt-out policy compared with 33 percent two years ago.

In the Gallup poll, published Sunday in the Berlingske Tidende newspaper, 44 percent of respondents wished to support a 1993 referendum decision not to join the European single currency. A June 1994 Gallup survey showed 59 percent in favor of retaining the opt-out and 33 percent wishing to drop it.

Denmark is one of the few European Union members already meeting the economic-performance criteria for monetary union but is bound by the 1993 referendum vote to stay out.

Italian Parliament Approves Budget

ROME (Bloomberg) — The Chamber of Deputies approved the government's 1997 budget Sunday, giving life to the budget the government is counting on to bring Italy into European economic and monetary union.

The chamber had been in session until midnight Saturday to vote on all the sections and amendments to the budget, with the final vote coming Sunday. Parliament now goes on Christmas vacation.

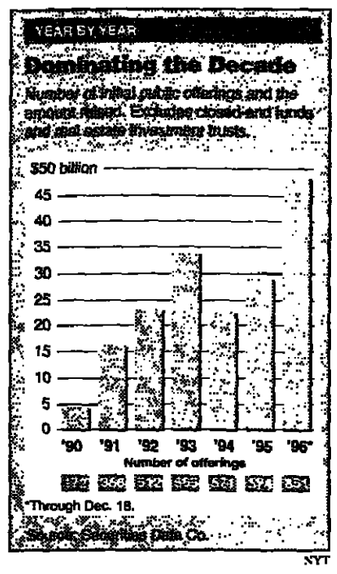
Some Like It Cold: Bargains Beckon in IPO Market

By Reed Abelson
New York Times Service

NEW YORK — The new-issues market earlier this year resembled a scene out of the Jacqueline Kennedy Onassis auction — over-enthusiastic buyers bidding prices up to astonishing heights.

Today, it looks more like a rummage sale. Some investors are turning their noses up and shopping elsewhere, while others, sharp-eyed, are rooting around for bargains.

But the deal-seekers have to work hard; the tables are sagging with merchandise. Through Wednesday, a record 851 companies have gone public this year, according to Securities Data Co., and that record-breaking number excludes closed-end mutual funds and real-estate investment trusts. In total, nearly $49 billion has been raised in capital for newly public business.



Following a spectacular performance last year, in which hot stocks, such as Netscape Communications Corp., were up fivefold or so, the new-issues market got off to a fast start in 1996. During the month of May initial public offerings sprinted, posting a record 25 percent gain on their first day of trading, according to Securities Data. Investors snapped up shares in such companies as Saks Holdings, the upscale retailer, and Open Market Inc., an Internet outfit specializing in electronic transactions.

The summer's brief but painful stock market decline dulled much of the shine in the new-issues market, however, although the volume of new issues continued unabated.

"1996 was a classic greed, and now fear, cycle," said Linda Killian, a principal in Renaissance Capital Corp., a new-issues research firm in Greenwich, Connecticut.

As more companies with short operating histories and few revenues or earnings went public, the whole market seemed less appealing. "The poor-quality IPO's hurt the good-quality IPO's," she said.

Roughly a quarter of the offerings that have gone public since October have had initial prices below the range estimated in the original filings, according to Securities Data, and the average first-day gain for a new offering has been only about 10 percent.

There have been exceptions, of course. Cymer Inc., for example, which makes lasers used to produce semiconductors, is the top performer for the year through Thursday, having quadrupled in price since going public at $9.50 a share in September. The company even completed a secondary offering just this month.

But, generally, the cooling of initial public offerings and the poor quality of some of the offerings have led many professional investors to look outside the market for good buys — especially if they can be had for their initial offering prices.

Many of the stocks that sizzled in the spring have dropped considerably from their highs earlier in the year. One such case is Planet Hollywood International Inc., the chain of celebrity restaurants, which made its debut at $18 and hit a high of $32.125 in its first day of trading. But as investors became less star-struck and turned more attention to the company's prospects, the stock fell, closing on Friday at $21.875.

Also, there are many fledgling companies that still have a lot to prove to investors — demonstrating that they can make something to sell or putting some black on their bottom lines.

In this cooler IPO market, the prices of these new offerings have been relatively flat, or even declining. Homegate Hospitality Inc., for example, a chain of extended-stay hotels with a very short operating history, is selling for two-thirds of its original offering price of $11.50. Florida Panthers Holdings, the owner of a professional hockey team that is not turning a profit, and Enamelon Inc., a start-up toothpaste maker with no revenue, have barely budged from their offering prices.

If investors sift through all these offerings, they are likely to find some good investments at close to their original offering price.

Ms. Killian suggested scouring out the Internet-related companies. Among these still speculative, but now much cheaper, stocks is Raptor Systems Inc., which provides security software for use on the Internet.

The shares are now trading at $20.75, half off their high in February. Check Point Software Technologies, another Internet security company, is available for only $16.625, a few dollars above its offering price and well below its October high of $36.25. Open Market, whose shares more than doubled their first day, is now selling for about a fifth less than its IPO price of $18.

Investors might also want to examine some communications companies, according to James Oberweis of Oberweis Asset Management.

Two stocks that have not moved much since making their debuts earlier this month are Powerwave Technologies Inc. and ViaSat Inc. Powerwave, which produces amplifiers for use in the wireless communications industry, and ViaSat, which makes satellite and wireless communications equipment, are both small companies with sales under $100 million, but their profits are growing fast.

And Powerwave is only about 30 percent above its offering price of $11.50 — about 22 times its estimated 1996 earnings per share — while ViaSat is selling for less than its offering price of $9.

Another potential buy, according to Carlene Murphy Ziegler, who runs the Artisan Small Cap Fund, is Donnelley Enterprise Solutions, a spinoff from R.R. Donnelley & Sons, the Chicago commercial printing company. Donnelley Enterprise provides computer and business services to investment banking, law and accounting firms.

The stock, which had fallen as low as $19.25, has recovered after reporting better-than-expected earnings and winning new contracts, but it still sells close to its initial offering price in October of $25.

TAXES: *Americans Are Waking Up to Legal Ways to Avoid Levies on Estates*

Continued from Page 1

tate taxes. Now, perhaps, death is no obstacle.

Some of the wealthiest individuals have organized their financial affairs in a manner so intricate and impenetrable that the IRS on occasion has given up its claim to higher estate taxes.

Conceived after the turn of the century, in an era of dynasties like the Rockefellers and the du Ponts, the estate tax was designed to reduce the concentration of wealth. Today, some analysts say, the proliferation of avoidance strategies is having the opposite effect.

Though the estate tax has never gone as far as its sponsors envisioned in leveling wealth, it "makes a significant contribution to whatever progressivity exists in the nation's tax system," said Michael Graetz, a Yale Law School professor who served as a Treasury Department tax-policy official during the Bush administration.

"It's demoralizing to the average citizen that the wealthiest people in the country can so easily avoid this tax," he added.

The vast majority of Americans are either too poor or too shrewd to worry about the estate tax. As of 1993, the most recent year for which data were available, only 1.5 percent of adult deaths — 32,000 — involved individuals whose estates were worth at least $600,000 and were taxed.

There is no way to calculate how much wealth is escaping estate taxation. Many of those who exploit the techniques are in middle age, and the loss of tax revenue will not be significant until they die.

What is most striking, experts say, is what could happen in coming years. The United States stands on the cusp of the largest transfer of wealth in its history, the $5 trillion to $10 trillion in assets that belong to the generations preceding the baby boomers. A significant share of that wealth could pass untaxed, some economists note, if the estate tax remains so easily circumvented.

That could contribute to what several studies show is a growing concentration of wealth among the most prosperous 5 percent of households.

"The wealthy already have huge advantages," said Edward Wolff, an economist at New York University. So "it is important to put teeth into the estate tax system now because otherwise this transfer of wealth will just exacerbate inequalities."

But other people say the real problem is the estate tax itself, which they see as destroying incentives to work, save and invest. A recent report by the Heritage Foundation, a conservative research group in Washington, contended that the tax reduces economic growth and is thus "hurting the jobs and incomes of the very people that wealth redistribution was intended to aid."

Congress has done little to examine most of the new ways of avoiding the estate tax. And while the Internal Revenue Service has questioned some of these maneuvers, it has often lost in court. In some cases, judges have chastised the IRS on the ground that the law gives taxpayers wide latitude.

Meantime, the wealthiest Americans are less likely to attract scrutiny by the IRS. In 1986, when Congress attempted to tighten estate tax rules, the agency audited almost 21 percent of estate returns, while last year it audited 14 percent.

Last year, fewer than half of the returns filed by estates worth more than $5 million were audited, compared with nearly three-quarters a decade ago. Moreover, the IRS almost never checks to see whether large estates simply failed to file required tax returns.

Air Canada Unit Settles a Strike

Bloomberg Business News

VANCOUVER — AirBC, a unit of Air Canada, said it reached a tentative agreement to end a five-day-old strike by its 175 flight attendants.

The carrier said that the agreement had been endorsed by the Western Canada Council of Teamsters, the flight attendants' union. Ratification will be done by mail.

AirBC, which operates 300 flights a day with 23 aircraft, said the agreement was reached at midnight Friday, and flight attendants returned to work on Saturday.

No details of the agreement were released. Earlier in the week, union officials said the dispute centered on wages, benefits and work schedules.

WTO: *Tariff Accord on Information Technology Is Only First Step*

Continued from Page 11

negotiate the timing of tariff reductions.

Since the Singapore announcement, the European Union has indicated it might seek a slower schedule for totally eliminating tariffs, a stance the acting U.S. trade representative, Charlene Barshefsky, called "disappointing and surprising."

Last week, countries representing 85 percent of the world's information-technology manufacturing announced a tentative agreement in Singapore to erase tariffs on a broad range of products by 2000, including computers, software, semiconductors and integrated circuits and telecommunications equipment.

"What this amounts to is a global tax cut," Ms. Barshefsky said. "The U.S. ends up winning handsomely."

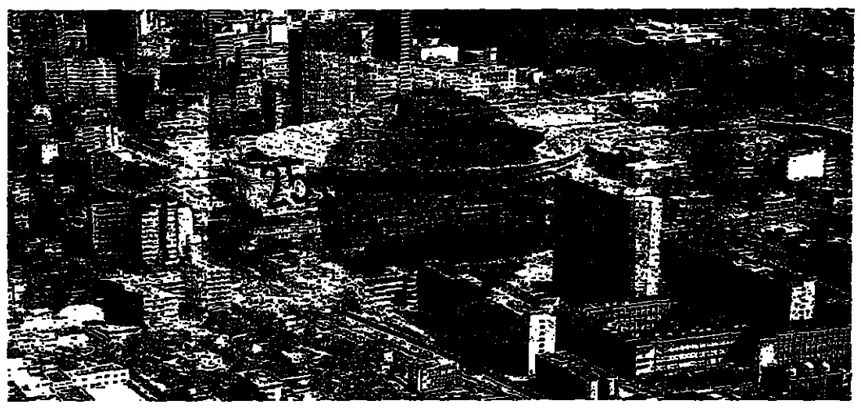
Overall, the U.S. industry coalition was happy with the outcome.

But enough additional countries must join the agreement to bring the total information-technology production of the signers to approximately 90 percent of the world total. Only then will the pact take effect.

Even if tariffs are eliminated over the contemplated three-year schedule, U.S. companies would not necessarily make more sales overseas.

Tariffs are "by no means the only barrier our members face," said Eric Nelson, vice president of international affairs for the Telecommunications Industry Association, a trade group in Washington representing makers of big telephone switches, transmission equipment and other gear. "Government procurement policies have had an enormous impact on how open markets have been."

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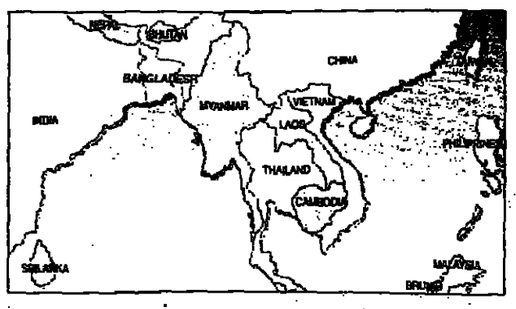


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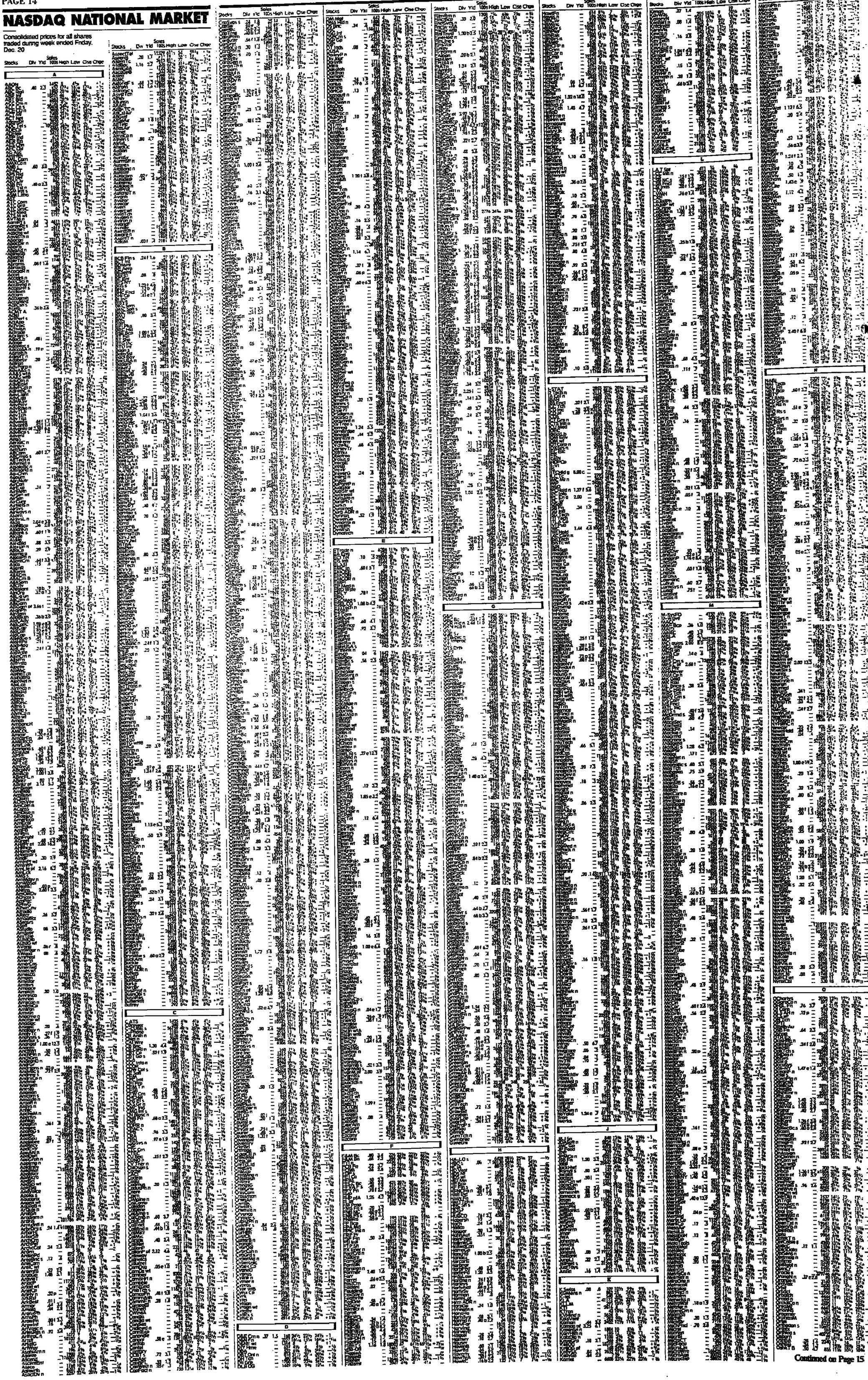
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NASDAQ NATIONAL MARKET

Consolidated prices for all shares traded during week ended Friday, Dec. 20

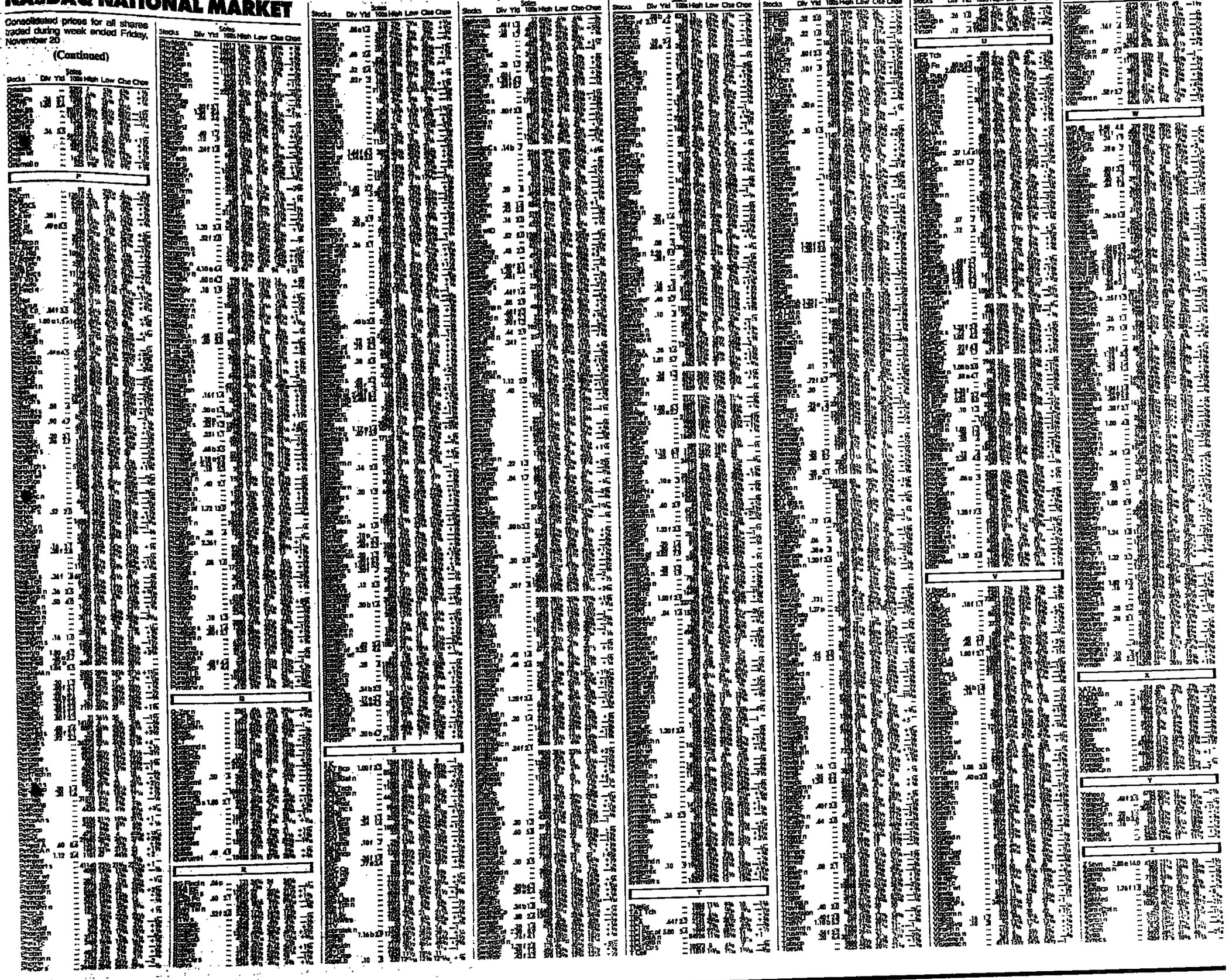


Continued on Page 15

NASDAQ NATIONAL MARKET

Consolidated prices for all shares traded during week ended Friday, November 20

(Continued)



DENNIS THE MENACE



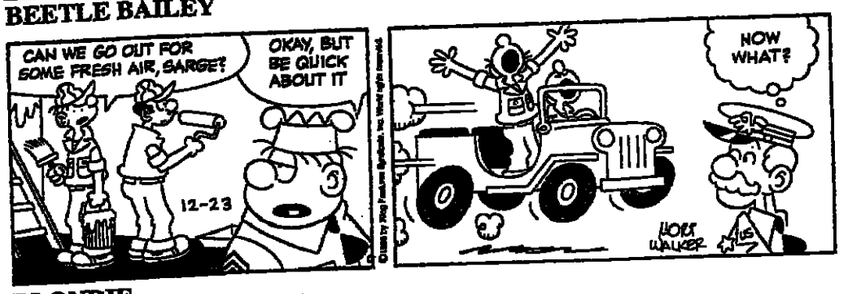
PEANUTS



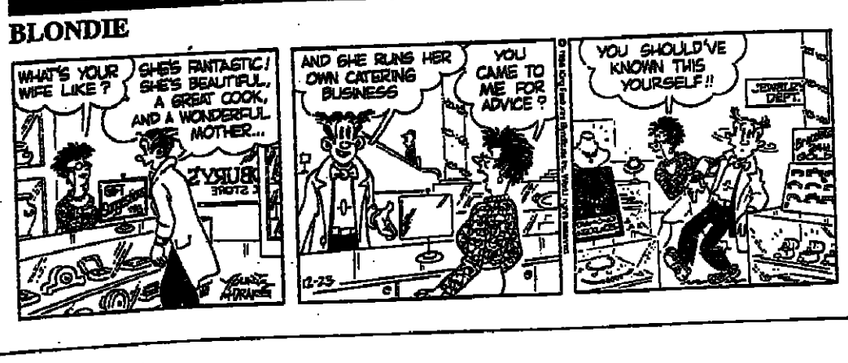
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CALVIN AND HOBBES

WIZARD of ID

THE FAR SIDE

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DOONESBURY

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THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

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Print answer here: (Answers tomorrow)

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England Cricketers Run Out of Luck

Compiled by Our Staff From Dispatches

BULAWAYO, Zimbabwe — Zimbabwe's first ever test match against England ended with a unique result Sunday after a taut final day's play. England fell one run short of victory as time ran out and the match ended in a draw with the scores level, the first time that has happened in 120 years of test cricket.

England needed three runs to win off the last ball bowled by Heath Streak, the Zimbabwe paceman. England opener Nick Knight lashed the ball away but his partner Darren Gough was run out going for the winning run and England finished on 204 for six.

There have been two ties in test cricket history, where all 10 wickets fell in the fourth innings and the scores were level with both teams all out, but this was the first draw with the scores level.

Zimbabwe, which had slumped to 107 runs for five wickets on Saturday, batted better on Sunday stretching its second innings late into the afternoon session. It was all out for 234 for a lead of 204 with 40 overs to play.

England scored rapidly and appeared to be cruising to victory as Knight and Alec Stewart added 137 for the second wicket. England needed 59 runs off the last 10 overs but when Stewart was out everything changed.

Stewart had played brilliantly scoring 73 from 74 balls with four fours and two sixes. But he mishit a shot against leg-spinner Paul Strang and was caught by the Zimbabwe captain Alistair Campbell.

In the same over Nasser Hussain was caught for naught. With the total on 178, John Crawley (7) was caught going for a big hit and the out-of-form Graham Thorpe (2) was caught four runs later.

Zimbabwe deliberately bowled wide as a defensive measure and England entered the last over needing 13. Knight smashed Streak for a huge six off the third ball and only five were needed, but they proved beyond England.

Campbell defended his bowling strategy at the end, when almost every ball was at the edge of the crease and difficult to reach.

"There was only one way to bowl out there. I had to use those tactics," he said. "It was a bit nerve-wracking towards the end and it was good to get a draw out of it."

Earlier, Zimbabwe seemed to have batted England out of the game when it reached midway through the second session with two wickets in hand.

But Guy Whittall, who had added 67 for the seventh wicket with Andy Waller (50), sliced a Phil Tufnell delivery and was caught. In the next over last man Henry Olonga was caught by wicket keeper Alec Stewart as Zimbabwe was dismissed for 234. Tufnell was the pick of the England bowlers, taking four wickets for 61 runs from 31 overs.

England travels to Harare ahead of the second and final test which begins Dec. 26 at Harare Sports Club. *(Reuters, AP)*



Howard Burditt/Reuters

England captain Mike Atherton playing the ball on to his wicket after scoring only four runs. England's test against Zimbabwe ended in a draw.

If Things Go Wrong, Find Someone to Sue

Litigious Culture Is Seeping Into Sports

By Ian Thomsen
International Herald Tribune

SOMEDAY a coach is going to sue one of his own players for missing the shot that would have won the game.

"Plaintiff invested hours of work designing and preparing the crucial play," a paragraph of the lawsuit will read. "Defendant's failure to convert a simple shot cost plaintiff millions of dollars in future earnings as would be anticipated by the coach of a championship team. Plaintiff seeks damages from defendant equal to lost wages, pain and suffering."

It's hard to write like a lawyer.

Before things reach that surreal stage, however, there will be other landmark cases. A player will sue because the coach refused to play him. A boxer will sue the referee for not stopping the fight soon enough to prevent injury, or for stopping the fight to prevent injury.

A lawyer will sue the sportswriter for ... well, let's not give them any ideas.

In the last seven days, a rugby referee in England was held liable for a paralyzing injury suffered by a young player. A professional soccer player and his club, also in England, were found responsible for an estimated £250,000 ($415,000) in damages over a career-ending tackle to another player almost four years ago. In Italy, most sensationally of all, a court ruled that charges of manslaughter will be brought against three members of the Williams Formula One team, as well as three officials of the San Marino Grand Prix, over the tragic accident that took the life of the great Ayrton Senna in the 1994 race at Imola.

In a more sensible world, the definition of the word "accident" would be read before a judge and that would be the end of it.

In reality, it is legally impossible to be sensible anymore. It is impossible to trust anybody, or to take any event at face value.

Sports are popular entertainment because of their simplicity, the basic human elements there for all to see and judge. But, frankly, sport doesn't deserve to be treated simply anymore.

At the heart of many sports lawsuits is the sincere doubt, if not the certainty, that the people involved — the performers as well as the owners and administrators — are driven by concerns more complicated than the simple values that have engaged the audience in the first place.

The public has expressed a taste for simpler and more honest competitions. Look at the newfound popularity of the Ryder Cup of golf and the Davis Cup of tennis.

Today the Ryder Cup might be the most significant golf tournament in the world because, simply, there is no money involved. When a player takes part in the Ryder Cup his motives are clear-cut. Money and outside business interests have little or nothing to do with it.

The courts will continue to encroach upon sports. The matches you watch on TV are not fairy-tale events anymore. The men who run the clubs, the leagues and the international federations are not grandfatherly types who worry that children grow up with proper heroes. They may still look a little grandfatherly; but they look more like the owners of competitive local businesses and chairman of multinational corporations, which is exactly what they are.

The international federations have been trying to ram drug-testing legislation down the athletes' throats. If an athlete tests positive for drugs, he or she has to promise not to take the case to court, but to instead submit to an "impartial" in-house panel. The athletes don't like the sound of that. They've heard the rumors of how one famous athlete escaped punishment for drug use in 1988 while Ben Johnson, during the same Olympics, was stripped of his medals.

The fact is, if someone feels badly treated, he or she should be allowed access to the facts as well as some sense of justice.

Knowing what we know about some of the people who run these international federations — federations which operate in the absence of international law — can you imagine how tyrannical some of them might become without the local courts to keep them in check?

SPORTS ARE supposed to set an example. Here is the example that is set down all too often from the top: Make deals to consolidate your power, take as much money as you can for yourself or your fellow owners, treat the players like replaceable parts, and win these battles at all costs.

Perhaps someone in Italy believes Williams really might be culpable in Senna's death; or maybe this is a chance to make quick political capital. It seems clear that the two players in England whose suits were upheld last week truly believed they had been wronged. If not, however, they could easily rationalize their lawsuits. So many others are clearly exploiting soccer, rugby and other sports for much greater personal profit.

A friend suggested that this week's spate of sports lawsuits and court proceedings was another example of people's unwillingness to accept responsibility for their own decisions. I agreed with him; then I thought about how some of the more cynical sports administrators might react to his remarks.

"Accept responsibility?" the worst kind of administrator might say with a laugh. "There's no money in it."

Von Gruenigen Storms to Victory in Giant Slalom

Compiled by Our Staff From Dispatches

Michael von Gruenigen of Switzerland, racing more aggressively than ever, clinched his first World Cup Alpine skiing victory of the season on Sunday in the daunting giant slalom at Alta Badia, Italy.

The World Cup giant slalom champion clocked a combined time of two minutes, 32.66 seconds. His compatriot, Steve Locher, winner of the opening giant slalom of the season in Soelden, Austria, in October, was second in 2:33.43. Matteo Nana of Italy was third in 2:34.15.

Von Gruenigen had the fastest times in both legs of the race. He leads the giant slalom World Cup standings with 280 points, 40 points ahead of Hans Knauss of Austria.



Agence France-Presse

Michael von Gruenigen en route to victory Sunday in Alta Badia, Italy.

"That was maybe one of the most aggressive races of my career," said Von Gruenigen, who had never won in Alta Badia before and has now notched up eight World Cup triumphs.

The Gran Risa piste is perhaps the most demanding giant slalom of any on the men's circuit.

The result reversed the top two placings from Soelden when Von Gruenigen, who has had a slow start to the season after dominating last year's races, finished behind Locher.

Nana's third-place finish was his first ever on the podium and gave the Italian crowd something to cheer about in the absence of world champion Alberto Tomba, who decided to stick to his prearranged training schedule rather than race. Knauss made sure he retained the overall World Cup lead through Christmas by finishing fourth.

Thomas Sykora of Austria, who had been Knauss's closest rival before the race, skied out on the first leg. Knauss now has 421 points, with Von Gruenigen second at 331.

in Morzine, France, the women's World Cup giant slalom was stopped after 19 starters because of the dangerous condition of the snow. Organizers, who postponed the start of the race three times, decided to call it a day when Barbara Merlin of Italy fell on a course made too soft by warm weather.

Products used to harden the snow also proved inefficient, despite a delay of more than two and a half hours. A power breakdown and fog also hampered the race and, after watering the piste and putting salt on it to no effect, stewards from the International Ski Federation decided to halt the first leg. There was no immediate hint at when Sunday's race might be rerun.

"It was the right decision to stop the race," said Leila Piccard of France, one of the 19 skiers who were allowed to start. "The bottom part was all right but the top was deteriorating quickly. What's more, we had been up since five in the morning for a 9:30 start and we were getting tired."

Piccard had finished fourth in a slalom in Crans Montana, Switzerland, on Saturday.

In Saturday's race, Claudia Riegler of New Zealand won her second straight World Cup slalom, edging the world champion. Pernilla Wiberg of Sweden. Riegler finished with a two-run combined time of one minute, 29.83.

Wiberg, the reigning slalom world champion, was .67 of a second behind.

Also on Saturday, Kristian Ghedina became the first Italian to win a World Cup downhill at Val Gardena, Italy, since 1977, beating favored Frenchman Luc Alphand and Austrian Josef Strobl. *(Reuters, AP)*

SCOREBOARD

BASKETBALL

NBA STANDINGS

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	Pct	GB
Miami	19	7	.731	—
New York	18	7	.720	½
Washington	12	12	.500	6
Orlando	9	13	.409	8
Philadelphia	7	18	.280	11½
New Jersey	6	16	.273	11
Boston	5	18	.217	12½

CENTRAL DIVISION

	W	L	Pct	GB
Chicago	23	3	.885	—
Detroit	20	5	.800	2½
Cleveland	16	8	.667	6
Atlanta	15	9	.625	7
Charlotte	14	11	.560	8½
Milwaukee	14	11	.560	8½
Indiana	11	12	.478	10½
Toronto	9	17	.346	14

WESTERN CONFERENCE

MIDWEST DIVISION

	W	L	Pct	GB
Utah	20	4	.833	—
Houston	21	5	.808	—
Dallas	9	15	.375	11
Minnesota	9	17	.346	12
Denver	7	19	.269	14
San Antonio	6	17	.261	13½
Vancouver	5	22	.185	16½

PACIFIC DIVISION

	W	L	Pct	GB
L.A. Lakers	19	9	.679	—
Seattle	19	9	.679	—
Portland	14	13	.519	4½
L.A. Clippers	10	16	.385	8
Sacramento	10	17	.370	8½
Golden State	9	17	.346	9
Phoenix	8	17	.320	9½

FRIDAY'S RESULTS

New York	20	28	26	36—	110
Philadelphia	26	25	10	42—	103

N.Y.: Houston 11-20 4-4 32, Ewing 9-15 3-6 21; P: Stackhouse 7-16 8-8 25, Iverson 7-23 6-11 22. Rebounds—New York 46 (Ewing 14), Philadelphia 64 (Coleman 12). Assists—New York 30 (Childs 7), Philadelphia 14 (Iverson 6).

New Jersey	17	23	26	29—	95
Atlanta	30	38	19	22—	109

N.J.: Kittles 9-14 8-9 28, Pack 7-17 1-2 15; A: Smith 6-12 5-5 20, Recasner 7-8 0-0 18. Rebounds—New Jersey 48 (Dare, Kittles, Bradley 6), Atlanta 55 (Mutombo 18). Assists—New Jersey 16 (Pack 6), Atlanta 19 (Smith 7).

Toronto	20	18	16	28—	82
Cleveland	22	25	23	21—	91

T: Rogers 6-8 5-8 18, Stoudamire 3-13 7-7 14; C: Hill 8-12 5-6 21, Brandon 6-15 6-6 19. Rebounds—Toronto 43 (Christie 8), Cleveland 42 (Hill 13). Assists—Toronto 22 (Stoudamire 7), Cleveland 27 (Brandon 9).

Detroit	25	13	24	22—	84
Indiana	18	18	22	17—	75

D: Hunter 8-17 1-4 20, Thorpe 7-9 2-2 16; I: Miller 7-16 2-3 18, Best 6-10 3-4 15; Rebounds—Detroit 48 (Thorpe 15), Indiana 47 (A.Davis 12). Assists—Detroit 12 (Hill 6), Indiana 22 (Miller 6).

Utah	17	18	29	34—	98
Orlando	22	19	25	27—	93

U: Stockton 8-12 4-4 22, Malone 8-16 4-6 20; O: Seikaly 10-15 10-11 30, Scott 8-17 3-4 21. Rebounds—Utah 36 (Malone 6), Orlando 44 (Seikaly 10). Assists—Utah 27 (Stockton 15), Orlando 18 (Grant, Shaw 5).

Vancouver	17	29	16	31—	93
Denver	30	22	29	27—	108

V: Peeler 9-13 0-0 19, Abdur-Rahim 8-12 1-2 17; D: Stith 9-15 6-8 29, D.Ellis 9-21 2-2 24. Rebounds—Vancouver 41 (Abdur-Rahim, Lynch, Reeves 5), Denver 53 (Johnson 20). Assists—Vancouver 25 (Mayberry 8), Denver 29 (Jackson 17).

Dallas	23	22	10	22—	77
Portland	29	20	31	27—	107

D: Gatling 4-13 8-9 16, McCloud 5-12 4-4 15; P: Rider 7-15 2-3 18, Trent 8-11 2-5 18. Rebounds—Dallas 40 (Jackson, Gatling 5), Portland 70 (Trent, Jordan 9). Assists—Dallas 16 (Dumas 4), Portland 27 (Anderson 10).

L.A. Clippers	26	25	11	24—	86
Seattle	29	19	38	16—	102

L.A.: Sealy 7-14 8-8 22, Martin 5-13 3-3 15; S: Payton 9-14 4-5 24, Schrempf 8-14 4-4 22. Rebounds—L.A. Clippers 39 (Wright 12), Seattle 46 (Kemp 12). Assists—L.A. Clippers 18 (Martin 6), Seattle 26 (Payton 11).

SATURDAY'S RESULTS

Atlanta	23	15	17	38—	93
Charlotte	22	27	23	26—	98

A: Laettner 7-16 9-9 24, Mutombo 7-12 6-7 20; C: Curry 8-11 0-2 19, Mason 8-12 2-2 18. Rebounds—Atlanta 52 (Mutombo 13), Charlotte 60 (Mason 12). Assists—Atlanta 15 (Blaylock 5), Charlotte 28 (Mason 7).

Detroit	17	24	23	28—	92
New York	26	24	22	23—	95

D: Hill 6-15 12-15 25, Dumars 6-17 4-6 16; N.Y.: Ewing 11-20 8-8 30, Starks 7-10 0-1 17. Rebounds—Detroit 46 (Hill, Thorpe 8), New York 43 (Oakley 12). Assists—Detroit 17 (Hill, Thorpe, Dumars, Green 4), New York 27 (Childs 8).

Phoenix	22	22	18	26—	88
San Antonio	21	26	33	21—	101

P: K.Johnson 6-11 1-2 13, Manning 6-10 0-0 12; S.A.: Elliott 9-15 6-7 29, Wilkins 8-18 7-9 24. Rebounds—Phoenix 47 (J.Williams 10), San Antonio 51 (Perdue 12). Assists—Phoenix 18 (K.Johnson, Finley 6), San Antonio 27 (A.Johnson 10).

L.A. Lakers	28	20	29	11—	88
Minnesota	21	35	26	21—	103

L.A.: Van Exel 6-17 7-7 22, O'Neal 8-20 5-12 21; M: Garnett 10-21 3-4 23, Gugliotta 7-15 3-4 17, Marbury 5-8 4-6 17, Carr 7-10 0-0 17. Rebounds—Los Angeles 57 (O'Neal 17), Minnesota 42 (Garnett 9). Assists—Los Angeles 14 (Van Exel 9), Minnesota 24 (Marbury 8).

Chicago	38	26	28	27—	111
Philadelphia	22	23	28	22—	105

C: Jordan 12-29 6-8 31, Pippen 9-20 1-2 22; P: Iverson 11-23 6-6 32, Coleman 9-19 4-7 22. Rebounds—Chicago 47 (Rodman 18), Philadelphia 51 (Stackhouse 10). Assists—Chicago 24 (Pippen 7), Philadelphia 20 (Weatherspoon, Coleman, Stackhouse, Iverson).

Boston	23	29	24	24—	100
New Jersey	25	17	38	29—	101

B: Radja 10-17 4-6 24, Barros 9-10 1-1 22; N.J.: Pack 10-18 8-9 29, Gill 8-18 7-8 24. Rebounds—Boston 50 (Walker 9), New Jersey 49 (Bradley 15). Assists—Boston 19 (Fox 6), New Jersey 28 (Pack 13).

Miami	25	26	12	23—	86
Houston	19	19	20	8—	66

M: Lenard 7-15 3-3 22, Mourning 7-11 4-4 18, Danilovic 3-9 0-1 8, Hardaway 7-23 2-2 18; H: Olajuwon 6-17 7-11 20, Elie 5-11 2-3 13. Rebounds—Miami 59 (Mourning 17), Houston 49 (Olajuwon 13). Assists—Miami 19 (Hardaway 7), Houston 12 (Olajuwon, Moore, Livingston 3).

Orlando	28	21	25	19—	85
Milwaukee	32	21	27	23—	103

O: Wilkins 7-15 3-4 17, Grant 7-12 2-2 16; M: Robinson 10-18 4-5 24, Allen 5-9 4-4 16. Rebounds—Orlando 40 (Grant, Seikaly, Strong 7), Milwaukee 53 (Robinson 13). Assists—Orlando 18 (Armstrong 6), Milwaukee 21 (Douglas, Perry 4).

Portland	21	26	22	16	14— 99
Sacramento	23	16	29	17	16—101

P: Wallace 17-25 4-5 38, Robinson 5-15 4-5 16; S: Richmond 12-28 11-11 37, Polynice 9-17 1-2 19. Rebounds—Portland 53 (Sabonis 11), Sacramento 53 (Smith 13). Assists—Portland 20 (Anderson 8), Sacramento 18 (Edney 7).

MAJOR COLLEGE SCORES

Michigan (4) 73, Arizona (6) 71
Utah (9) 80, Texas (14) 68
Louisville (18) 91, Arkansas (19) 88
Texas Tech (23) 111, Fresno State (21) 101

HOCKEY

NHL STANDINGS

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	T	Pts	GF	GA
Florida	19	7	7	45	101	73
Philadelphia	21	12	2	44	108	84
New Jersey	19	11	2	40	89	77
N.Y. Rangers	17	14	5	39	124	97
Washington	14	18	2	30	91	95
N.Y. Islanders	11	14	8	30	87	92
Tampa Bay	11	18	3	25	91	103

NORTHEAST DIVISION

	W	L	T	Pts	GF	GA
Buffalo	18	14	2	38	103	95
Hartford	16	11	6	38	104	106
Pittsburgh	16	15	3	35	119	112
Boston	13	15	5	31	94	114
Montreal	12	17	5	29	111	119
Ottawa	9	15	7	25	81	97

WESTERN CONFERENCE

CENTRAL DIVISION

	W	L	T	Pts	GF	GA
Dallas	21	10	3	45	99	78
Detroit	17	11	6	40	98	66
Phoenix	14	15	4	32	87	100
St. Louis	15	19	1	31	94	116
Chicago	14	18	3	31	86	90
Toronto	14	21	0	28	104	123

PACIFIC DIVISION

	W	L	T	Pts	GF	GA
Colorado	19	10	5	43	119	82
Vancouver	16	15	1	33	100	98
Edmonton	14	17	4	32	112	108
Anaheim	12	16	5	29	97	105
Calgary	12	18	5	29	83	100
Los Angeles	12	18	4	28	89	113
San Jose	11	18	4	26	87	109

FRIDAY'S RESULTS

Dallas	1	2	1—4
Hartford	0	1	0—1

First Period: D-Matvichuk 4 (Verbeek, Reid) Second Period: D-Ludwig 2 (Modano, Hogue). 3, H-Emerson 3 (Primeau) 4, D-Adams 15 (Modano, Verbeek) (pp). Third Period: D-Reid 6 (Verbeek, Carbonneau) Shots on goal: D- 12-12-12—36. H- 8-11-12—31. Goalies: D-Irbe. H-Muzzatti.

Los Angeles	2	0	0—2
Buffalo	2	1	3—6

First Period: L.A.-Ferraro 13 (Tsyplakov) 2, L.A.-Sweeney 3 (Laperriere) 3, B-Holzinger 9 (Audette) 4, B-Barnaby 9 (Grosek, Plante) Second Period: B-Audette 10 (Galley, Holzinger) Third Period: B-Holzinger 10 (Ward, Smehlik) 7, B-Plante 15, (en). 8, B-Plante 16 (Barnaby) Shots on goal: L.A.- 16-10-13—39. B- 13-12-12—37. Goalies: L.A.-Fiset. B-Hasek.

San Jose	1	1	0—2
Washington	2	0	1—3

First Period: W-Gonchar 7 (Juneau, Allison) 2, S.J.-McSorley 2, 17:05, 3, W-Gonchar 8 (Nikolishin, Hunter) 18:24. Second Period: S.J.-Kozlov 6 (Sykora) 14:23. Third Period: W-Housley 7 (Hunter, Konowalchuk) Shots on goal: S.J.- 7-7-7—21. W- 11-9-12—32. Goalies: S.J.-Terreri. W-Carey.

Florida	1	1	1—3
Chicago	0	1	0—1

First Period: F-Mellanby 13 (Warrener, Dvorak) (pp). Second Period: F-Mellanby 14 (Warrener, Svehla) (pp). 3, C-Krivokrasov 4 (Black, Shantz) Third Period: F-Dvorak 8 (Mellanby, Carkner) Shots on goal: F- 5-9-9—23. C- 10-15-10—35. Goalies: F-Fitzpatrick. C-Hackett.

Toronto	1	0	1—2
Phoenix	2	2	1—5

First Period: T-Warriner 5, 2, P-McKenzie 1 (Doan, Eastwood) 3, P-Janney 6 (Manson, Roenick) (pp). Second Period: P-Roenick 7, 5, P-Tkachuk 17 (McCrimmon, Drake) 9:17. Third Period: T-Baker 3 (Domi) 7, P-Tkachuk 18 (Janney, Drake) Shots on goal: T- 5-9-14—28. P-18-14-10—41. Goalies: T-Potvin. P-Waite.

New Jersey	0	2	1—3
Edmonton	0	1	1—2

First Period: None. Second Period: N.J.-Rolston 12 (Zelepukin, Niedermayer) (pp). 2, E-Arnott 12 (Kovalenko, Oliver) 3, N.J.-Holik 7 (Guerin, Andreychuk) Third Period: E-Satan 10 (Mironov, Lindgren) 5, N.J.-Stevens 1 (Andreychuk, Holik) Shots on goal: N.J.- 3-9-8—20. E- 9-14-9—32. Goalies: N.J.-Brodeur, Dunham. E-Joseph.

Detroit	1	0	1—2
Vancouver	1	1	1—3

First Period: V-Aucoin 2 (Savage, Odjick) 2, D-Fetisov 5 (Larionov, Shanahan) Second Period: V-Bohonos 2 (Gelinas, Aucoin). Third Period: V-Gelinas 8, 5, D-Yzerman 11 (Shanahan, Lapointe) 18:55 (pp). Shots on goal: D- 10-6-16—32. V- 10-6-10—26. Goalies: D-Hodson, Osgood, Hodson, Osgood. V-Hirsch.

Calgary	0	0	0—0
Anaheim	2	2	3—7

First Period: A-Kariya 11 (Rucchin) (sh). 2, A-Sacco 6 (Todd). Second Period: A-Sacco 7 (Van Impe) (sh). 4, A-Rucchin 7 (Kariya) (sh). Third Period: A-Mironov 6 (Selanne, Kariya) 6, A-Kariya 12 (Selanne) 7, A-Selanne 18 (Kariya, Rucchin) Shots on goal: C- 9-11-19—39. A- 14-6-12—32. Goalies: C-Kidd. A-Hebert.

SATURDAY'S RESULTS

St. Louis	0	0	0—0
Philadelphia	0	2	2—4

First Period: None. Second Period: P-Klatt 10 (Desjardins, Brind'Amour) 2, P-Otto 5. Third Period: P-LeClair 20 (Lindros) 4, P-Samuelsson 3 (Lindros) Shots on goal: S.L.- 10-7-7—24. P- 6-5-4—15. Goalies: S.L.-Casey. P-Hextall.

Washington	0	1	2—3
Boston	0	3	1—4

First Period: None. Second Period: B-Stolas 1 (Oates, Stumpel). 2, B-DiMaio 7 (Elik, Rohloff) 3, W-Brunette 2 (Cote) 4, B-Kennedy 3 (Harkins) Third Period: W-Gonchar 9 (Brunette, Juneau) 6, W-Hunter 7 (Pivonka, Klee) 7, Boston, DiMaio 8 (Stumpel, Oates) Shots on goal: W- 5-9-17—31. B- 13-12-8—33. Goalies: W-Carey. B-Tallas.

Dallas	0	1	2—3
N.Y. Islanders	1	0	1—2

First Period: NY-McInnis 10 (McCabe, King) Second Period: D-Matvichuk 5 (Lehtinen, Zubov) (sh). Third Period: D-Harvey 1 (Hogue, Ledyard). 4, NY- Armstrong 3 (Plante, Lachance) 5, D-Nieuwendyk 7 (Langenbrunner, Zubov). Shots on goal: D- 10-13-6—29. NY- 8-9-4—21. Goalies: D-Moog. NY-Salo.

Tampa Bay	3	1	1	0—5
Hartford	1	2	2	1—6

First Period: T-Ciccarelli 16, (pp). 2, T-Bradley 7 (Ciccarelli, Poulin) 3, H-Rice 9 (O'Neill, Leschyshyn). 4, T-Cullen 8 (Poulin, Ciccarelli) Second Period: Hartford, Wesley 2 (Rice) (pp). 6, H-Sanderson 20 (Malik, Cassels) 7, T-Poulin 6 (Gratton, Cullen) (pp). Third Period: H-Sanderson 21 (Dineen, Cassels) (pp). 9, T-Langkow 2 (Zamuner, Gratton) 10, H-Cassels 9 (Dineen, Wesley) Overtime: 11, H-Kron 4 (Wesley, Ranheim). Shots on goal: T- 8-11-11—2. H- 10-11-11—3. Goalies: T-Schwab, Tabaracci. H-Muzzatti.

Buffalo	2	0	1—3
Ottawa	1	1	0—2

First Period: O-Laukkanen 3 (Cunneyworth, Zholtok) (pp). 2, B-Audette 11 (Ward, Holzinger) 3, B-, Holzinger 11 (Audette, Galley) Second Period: O-Lambert 3 (Gardiner, Duchesne) Third Period: B-Peca 6, Shots on goal: B- 7-10-8—25. O- 12-8-9—29. Goalies: B-Hasek. O-Rhodes.

New York	0	2	0	1—3
Montreal	1	1	0	0—2

First Period: M-Recchi 15 (Brisebois, Richer) Second Period: NY-Samuelsson 3 (Gretzky, Sundstrom) 3, M-Damphousse 10 (Malakhov, Rucinsky) (pp). 4, NY-Sundstrom 13 (Gretzky, Karpovtsev). Third Period: None. Overtime: 5, NY-Robitaille 14 (Gretzky, Sundstrom) Shots on goal: NY- 3-10-11-1—25. M- 11-12-6-0—29. Goalies: NY-Richter. M-Thibault.

San Jose	1	0	0—1
Pittsburgh	0	1	2—3

First Period: S.J.-Kozlov 7 (Friesen, Nolan). Second Period: P-Lemieux 21 (Olausson, Woolley) Third Period: P-Daigneault 3 (Lemieux, Jagr) 4, P-Francis 11 (Hatcher) (en). Shots on goal: S.J.- 17-7-9—33. P- 5-10-5—20. Goalies: S.J.-Terreri. P-Lalime.

Toronto	2	2	2—6
Colorado	0	2	0—2

First Period: T-Cooper 1 (Berezin, Gilmour) (pp). 2, T-Sundin 20 (Warriner, Cooper) Second Period: C-Young 12 (Foote, Ricci). 4, T-Sundin 21 (Gilmour, Macoun) 5, T-Modin 3 (Sundin) 6, C-Jones 10 (Ozolinsh, Sakic) (pp). Third Period: T-Sundin 22 (Gilmour) 8, T-, Murphy 3 (Fairchild). Shots on goal: T- 11-16-13—40. C- 13-10-9—32. Goalies: T-Potvin. C-Roy, Billington.

FOOTBALL

NFL STANDINGS

AMERICAN CONFERENCE

EAST

	W	L	T	Pct.	PF	PA
x-New England	11	5	0	.687	418	313
Buffalo	9	6	0	.600	299	257
Indianapolis	9	6	0	.600	293	303
Miami	7	8	0	.467	308	297
N.Y. Jets	1	14	0	.067	251	423

CENTRAL

	W	L	T	Pct.	PF	PA
x-Pittsburgh	10	5	0	.667	330	239
Jacksonville	8	7	0	.533	306	318
Cincinnati	7	8	0	.467	341	345
Houston	7	8	0	.467	321	298
Baltimore	4	11	0	.267	350	417

WEST

	W	L	T	Pct.	PF	PA
x-Denver	13	2	0	.867	381	259
Kansas City	9	6	0	.600	288	280
Oakland	7	8	0	.467	319	265
San Diego	7	8	0	.467	294	366
Seattle	6	9	0	.400	289	355

NATIONAL CONFERENCE

EAST

	W	L	T	Pct.	PF	PA
x-Dallas	10	5	0	.667	276	213
y-Philadelphia	9	6	0	.600	334	322
Washington	8	7	0	.533	327	302
Arizona	7	8	0	.467	281	368
N.Y. Giants	6	10	0	.375	242	297

CENTRAL

	W	L	T	Pct.	PF	PA
x-Green Bay	12	3	0	.800	418	200
y-Minnesota	9	6	0	.600	288	277
Chicago	7	8	0	.467	264	271
Detroit	5	10	0	.333	288	344
Tampa Bay	5	10	0	.333	187	274

WEST

	W	L	T	Pct.	PF	PA
y-Carolina	11	4	0	.733	349	204
y-San Francisco	11	4	0	.733	374	243
St. Louis	6	10	0	.375	303	409
Atlanta	3	12	0	.200	292	442
New Orleans	3	13	0	.188	229	339

x-clinched division title.
y-clinched playoff spot.

SATURDAY'S RESULTS

New England 23, New York Giants 22
St. Louis 14, New Orleans 13

SOCCER

ENGLISH PREMIER LEAGUE

Chelsea 2, West Ham 1
Everton 0, Leeds 0
Leicester 0, Coventry 2
Manchester United 5, Sunderland 0
Nottingham Forest 2, Arsenal 1
Southampton 3, Derby 1
Tottenham 1, Sheffield Wednesday 1
Aston Villa 5, Wimbledon 0

STANDINGS: Liverpool 37 points; Arsenal 35; Wimbledon 34; Aston Villa 33; Manchester United 31; Newcastle 30, Everton 28, Chelsea 28; Sheffield Wednesday 26; Tottenham 25; Derby 22, Leeds 22; Leicester 21; Sunderland 20; West Ham 18; Southampton 16, Coventry 16; Middlesbrough 15; Blackburn 13, Nottingham Forest 13.

FRENCH FIRST DIVISION

Lens 1, Monaco 3
Paris St-Germain 1, Montpellier 1
Auxerre 0, Strasbourg 1
Metz 2, Caen 2
Lyon 0, Nantes 1
Rennes 4, Marseille 2
Cannes 1, Guingamp 0
Le Havre 1, Nancy 3
Nice 1, Lille 1

STANDINGS: Monaco 48 points; Paris Saint-Germain 44; Bastia 42; Bordeaux 37, Strasbourg 37; Metz 36; Auxerre 35; Nantes 34; Lyon 32; Rennes 31; Marseille 30; Guingamp 29, Lille 29; Cannes 28; Le Havre 25, Lens 25; Montpellier 22; Caen 20; Nancy 19; Nice 17.

DUTCH FIRST DIVISION

Willem II Tilburg 3, Utrecht 0
Roda JC Kerkrade 6, Heerenveen 1
Fortuna Sittard 0, RKC Waalwijk 0
FC Volendam 1, Vitesse Arnhem 1
NEC Nijmegen 1, Feyenoord Rotterdam 2
FC Twente Enschede 1, AZ Alkmaar 0

STANDINGS: PSV Eindhoven 48 points; Feyenoord 45; Twente Enschede 40; Vitesse Arnhem 33, Roda JC Kerkrade 33; Ajax Amsterdam 30, Graafschap Doetinchem 30; Heerenveen 29; NAC Breda 25; Utrecht 22, Volendam 22, Willem II Tilburg 22; Sparta Rotterdam 21; Fortuna Sittard 19; AZ Alkmaar 18, Groningen 18; NEC Nijmegen 16; RKC Waalwijk 15.

SPANISH FIRST DIVISION

Valladolid 1, Real Madrid 1
Athletic de Bilbao 0, Extremadura 0
Barcelona 1, Celta 0
Sporting Gijon 1, Deportivo de La Coruna 1
Logrones 0, Rayo Vallecano 2
Compostela 0, Oviedo 2
Zaragoza 0, Racing Santander 2
Atletico de Madrid 2, Real Sociedad 2
Sevilla 0, Betis 3
Tenerife 5, Espanyol 1

STANDINGS: Real Madrid 39 points; Barcelona 37; Deportivo Coruna 37; Real Betis 35; Atletico Madrid 29; Real Sociedad 28; Athletic Bilbao 27; Valladolid 26; Tenerife 25, Racing Santander 25; Rayo Vallecano 23, Celta Vigo 23; Valencia 20; Espanyol 19, Oviedo 19; Sporting Gijon 17; Compostela 16; Logrones 15; Zaragoza 14, Sevilla 14; Hercules 11; Extremadura 8.

ITALIAN FIRST DIVISION

Bologna 0, Perugia 0
Milan 0, Parma 1
Napoli 1, Lazio 0
Piacenza 1, Juventus 1
Reggiana 1, Inter 1
Roma 0, Atalanta 2
Sampdoria 2, Vicenza 1
Verona 3, Udinese 2
Fiorentina 2, Cagliari 0

STANDINGS: Juventus 29 points; Vicenza 23, Napoli 23; Sampdoria 22, Bologna 22, Internazionale 22; Milan 21, Fiorentina 18; Roma 20; Lazio 19; Udinese 18, Parma 18; Atalanta 17, Perugia 17, Piacenza 17; Cagliari 11; Verona 10; Reggiana 6.

ASIAN CUP

FINAL

Saudi Arabia 0, United Arab Emirates 0
Saudi Arabia won 4-2 on penalties

THIRD PLACE

Iran 1, Kuwait 1
Iran won 3-2 on penalties

WORLD CUP QUALIFYING

CONCACAF

GROUP 1

Costa Rica 2, Trinidad and Tobago 1
United States 2, Guatemala 2

FINAL STANDINGS: United States 13 points; Costa Rica 12; Guatemala 8; Trinidad 1.

SKIING

WORLD CUP

Leading results of the men's World Cup downhill on Saturday in Val Gardena, Italy: 1, Kristian Ghedina, Italy, 2 minutes, 0.28 seconds; 2, Luc Alphand, France, 2:00.51; 3, Josef Strobl, Austria, 2:00.65; 4, Atle Skaardal, Norway, 2:01.05; 5, Hans Knauss, Austria, 2:01.12; 6, Pietro Vitalini, Italy, 2:01.16; 7, Adrien Duvillard, France, 2:01.36; 8, AJ Kitt, United States, 2:01.51; 9, Franco Cavegn, Switzerland, 2:01.54; 10, Werner Franz, Austria, 2:01.59.

DOWNHILL STANDINGS: (After three races) 1, Alphand, 220 points; 2, Ghedina, 205; 3, Fritz Strobl, Austria, 154; 4, Skaardal, 145; 5, Franz, 142; 6, Vitalini, 126; 7, Strobl, 118; 8, Duvillard, 97; 9, Patrick Ortlieb, Austria, 85; 10, Knauss, 81.

Leading results from the men's World Cup giant slalom on Sunday at Alta Badia, Italy: 1, Michael Von Gruenigen, Switzerland, 2:32.66; 2, Steve Locher, Switzerland, 2:33.43; 3, Matteo Nana, Italy, 2:34.15; 4, Hans Knauss, Austria, 2:34.58; 5, Rainer Salzgeber, Austria, 2:34.73; 6, Siegfried Voglreiter, Austria, 2:34.79; 7, Guenther Mader, Austria, 2:34.86; 8, Urs Kaelin, Switzerland, 2:34.90; 9, Patrick Holzer, Italy, 2:35.20; 10, Thomas Grandi, Canada, 2:35.21.

SLALOM STANDINGS: (After four races) 1, Von Gruenigen, 280 points; 2, Knauss, 240; 3, Locher, 225; 4, Kaelin, 197; 5, Fredrik Nyberg, Sweden, 192; 6, Kjetil Andre Aamodt, Norway, 141; 7, Holzer, 126; 8, Josef Strobl, Austria, 114; 9, Salzgeber, 111; 10, Mader, 104.

OVERALL STANDINGS: (After 11 races) 1, Knauss, 421 points; 2, Von Gruenigen, 331; 3, Locher, 295; 4, Thomas Sykora, Austria, 282; 5, Aamodt, 280; 6, Alphand, 252; 7, J. Strobl, 247; 8, Ghedina, 219; 9, Mader, 216; 10, Christian Mayer, Austria, 207.

Leading results Saturday of the women's World Cup slalom on Saturday at Crans Montana, Switzerland: 1, Claudia Riegler, New Zealand, 1 minute, 29.83 seconds; 2, Pernilla Wiberg, Sweden, 1:30.50; 3, Patricia Chauvet, France, 1:30.54; 4, Leila Piccard, France, 1:30.97; 5, Karin Roten, Switzerland, 1:31.34; 6, Urska Hrovat, Slovenia, 1:31.52; 7, Christelle Pascal, France, 1:32.16; 8, Anita Wachter, Austria, 1:32.25; 9, Martina Accola, Switzerland, 1:32.36; 10, Kristina Andersson, Sweden, 1:32.50.

SLALOM STANDINGS: (After two races) 1, Riegler, 200 points; 2, Wiberg, 160; 3, Chauvet, 110; 4, Piccard, 76; 4, Hrovat, 76; 6, Roten, 67; 7, Wachter, 61; 8, Ingrid Salvenmoser, Austria, 60; 9, Sabine Egger, Austria, 45; 10, Deborah Compagnoni, Italy, 40.

OVERALL STANDINGS: 1, Katja Seizinger, Germany, 494 points; 2, Wiberg, 462; 3, Hilde Gerg, Germany, 391; 4, Wachter, 225; 5, Isolde Kostner, Italy, 217; 6, Riegler, 200; 7, Renate Goetschl, Austria, 196; 8, Florence Masnada, France, 193; 9, Warwara Zelenskaja, Russia, 183; 10, Carole Montillet, France, 182.

CRICKET

FIRST TEST, FINAL DAY

ZIMBABWE VS. ENGLAND

SUNDAY, IN BULAWAYO, ZIMBABWE

Zimbabwe scores: 376 and 234
England scores: 406 and 204-6
Match drawn

FOUR-DAY MATCH, FINAL DAY

WEST INDIES VS. VICTORIA

SUNDAY, IN WANGARATTA, AUSTRALIA

West Indies scores: 336 and 219 for four
Victoria scores: 354 and 197
West Indies won by six wickets.

TRANSITIONS

BASEBALL

MAJOR LEAGUE BASEBALL

AMERICAN LEAGUE

ANAHEIM—Agreed to terms with INF Jack Howell on minor-league contract.

CHICAGO—Declined to offer 1997 contracts to INF Domingo Cedeno and RHP Stacey Jones and RHP Brian Keyser.

CLEVELAND—Declined to offer a 1997 contract to OF Ryan Thompson.

MILWAUKEE—Traded INF Wes Weger to Montreal for RHP Scott Pisciotta.

MINNESOTA—Agreed to terms with RHP Gregg Olson on minor-league contract.

N.Y. YANKEES—Declined to offer 1997 contracts to RHP Scott Kamieniecki, LHP Billy Brewer and INF Luis Sojo.

OAKLAND—Agreed to terms with LHP Buddy Groom on 1-year contract. Declined to offer 1997 contract to RHP Carlos Reyes.

TORONTO—Declined to offer 1997 contract to OF Angel Ramirez and signed him to minor-league contract.

NATIONAL LEAGUE

ATLANTA—Agreed to terms with 2B Mark Lemke on 1-year contract and OF Hensley Meulens on minor-league contract. Put LHP Ben VanRyn on waivers for purpose of giving him his unconditional release.

CINCINNATI—Claimed RHP Felix Rodriguez off waivers from Los Angeles. Agreed to terms with RHP Stan Belinda, RHP Felix Rodriguez and LHP Billy Brewer on minor-league contracts. Declined to offer 1997 contracts to RHP Johnny Ruffin and RHP Tim Scott.

FLORIDA—Declined to offer 1997 contract to 1B Greg Colbrunn.

HOUSTON—Declined to offer 1997 contracts to LHP Jeff Tabaka, C Randy Knorr and OF Derrick May. Named Dave Engle minor-league hitting coordinator, Dewey Robinson minor-league pitching coordinator and Dickie Thon minor-league baserunning and infielder instructor. Named Julio Linares manager of the Astros of the Gulf Coast Rookie League and Lyle Yates pitching coach and Cesar Cedeno coach.

N.Y. METS—Traded RHP Robert Person to Toronto for 1B John Olerud and cash. Agreed to terms with RHP Armando Reynoso on 2-year contract.

SAN FRANCISCO—Agreed to terms with OF Darrin Jackson on minor-league contract. Declined to offer 1997 contract to RHP Mark Dewey.

BASKETBALL

NATIONAL BASKETBALL ASSOCIATION

NBA—Suspended Houston Rockets F Charles Barkley for 2 games without pay and fined him $7,500, and Houston Rockets G Clyde Drexler for 1 game without pay and fined him $5,000 for their actions in Dec. 19 game against San Antonio.

ATLANTA—Put F Tyrone Corbin on injured list. Signed F Henry James.

BOSTON—Activated C Alton Lister from injured list. Put G Dee Brown on injured list.

THE WEEK AHEAD

THURSDAY, DEC. 26

CRICKET, Melbourne — Australia vs. West Indies, third test; Harare — Zimbabwe vs. England, second test; Durban — South Africa vs. India, first test (to 30); Brisbane — Queensland vs. Pakistan

SATURDAY, DEC. 28

ALPINE SKIING, Semmering, Austria — World Cup women's slalom.
CRICKET, Sydney — Australian XI vs. Pakistan.

SUNDAY, DEC. 29

ALPINE SKIING, Bormio, Italy — World Cup men's downhill.

SPORTS

Brandon's 33 Points Lead Cavs Over Jazz

Malone Snares Rebound No. 10,000

The Associated Press

All-Stars Terrell Brandon of the Cleveland Cavaliers and Karl Malone of the Utah Jazz were in agreement Sunday. Both insisted that winning is more important than individual accomplishments.

"It's all about winning to me," Brandon said, after scoring 12 of his career-high 33 points in the final 1:12 of Cleveland's 100-94 victory. "I don't pay much attention to my numbers."

Malone added to his considerable

NBA Roundup

numbers by becoming the 11th player to get 20,000 points and 10,000 rebounds in a National Basketball Association career.

He grabbed a missed 3-point attempt by Danny Ferry at 2:09 before halftime for rebound No. 10,000.

"I've been fortunate to stay healthy and play 12 years," Malone said. "To get a standing ovation here was nice, but I think people tend to forget the games mean more than the individual things. You think about those things after you're finished with your career. I'm not finished yet."

Brandon extended his consecutive free-throw streak to 56 by going 11-for-11 from the foul line.

"That's an important weapon to have, the ability to hit free throws," the Cavaliers' coach, Mike Fratello, said. Cleveland made 25 of 27 free throws. Utah hit 14 of 22.

Bobby Phills had 23 points, Tyrone Hill 18 points and 10 rebounds and Chris Mills 18 points and nine rebounds for Cleveland (17-8), which won a season-best fifth straight game.

"We were hyped up because we wanted to show everyone we can play with one of the great teams," Mills said. "Utah plays every game like a playoff game and we had to out-quick them, outthink them and even out-grab them without getting called."

Malone's 20 points and 12 rebounds led Utah (20-5).

Pacers 111, Raptors 92 Reggie Miller's 21 points helped Indiana beat Toronto and reach the .500 mark for the third time this season.

Reserves Antonio Davis and Duane Ferrell added 14 points each for Indiana (12-12).

Reserve Carlos Rogers led Toronto with 15 points and Doug Christie had 14. The Raptors' point guard Damon Stoudamire, who came in averaging 20.4 points, scored only eight on 4 of 16 shooting as Toronto lost for the ninth time in 10 road games.

Miller scored 14 of the Pacers' 25 points in the first quarter to put them ahead by five. Hot shooting by Indiana's second unit and woeful shooting by the Raptors allowed Indiana to build a 56-40 halftime lead.

While the Pacers hit 69 percent of their shots in the second period, Toronto went cold, making only 5 of 21.

In games played Saturday:

Knicks 95, Pistons 92 Patrick Ewing scored 30 points as New York avenged its worst defeat in 10 seasons, a 112-78 loss last Wednesday in Allan Houston's first game against his former teammates.

In the 34-point loss at Detroit, Houston was booed every time he touched the ball and scored only two points. That statistic that was left on the scoreboard after the rest of the lights had been turned off, which upset Jeff Van Gundy, the Knicks' coach.

John Starks scored 17 points and Chris Childs and Charles Oakley added 15 each for New York, which won for the ninth time in 10 games. Houston finished with just five points on 2-for-7 shooting.

Hill had 25 to lead Detroit.

Bulls 111, 76ers 105 In Philadelphia, Michael Jordan scored 31 points and Chicago survived a scare from lowly Philadelphia to win its sixth straight.

The Bulls led by only one point with just under three minutes left, then went on a 7-0 run to send the 76ers to their 10th loss in a row.

Hornets 98, Hawks 93 Dell Curry scored 19 points and Charlotte held visiting Atlanta scoreless for eight and a half minutes, then held on to win.

Anthony Mason added 18 points and 12 rebounds for the Hornets, who had a 25-point lead cut to four before sealing their sixth victory in eight games.

The Hawks missed 15 consecutive field-goal attempts bridging the second and third quarters.

Nets 101, Celtics 100 Kendall Gill sank a 12-foot jumper with 1.5 seconds remaining to give New Jersey a victory over Boston.

Gill scored 13 of his 24 points in the fourth quarter as New Jersey snapped a five-game losing streak and kept Boston winless on the road in 10 games this season. Robert Pack led New Jersey with 29 points and combined with Gill to score 22 of the Nets' 26 points in the fourth quarter.

Timberwolves 103, Lakers 88 Kevin Garnett keyed a second-half run with six points and three blocked shots as Minnesota beat Los Angeles in Minneapolis. Garnett scored 23 points and grabbed nine rebounds for the Wolves, who won for just the second time in 11 games. Nick Van Exel scored 22 points for the Lakers, who also got 21 points and 17 rebounds from Shaquille O'Neal.

Spurs 101, Suns 88 In San Antonio, Sean Elliott scored a season-high 29 points, including five 3-pointers, as San Antonio won its third straight.

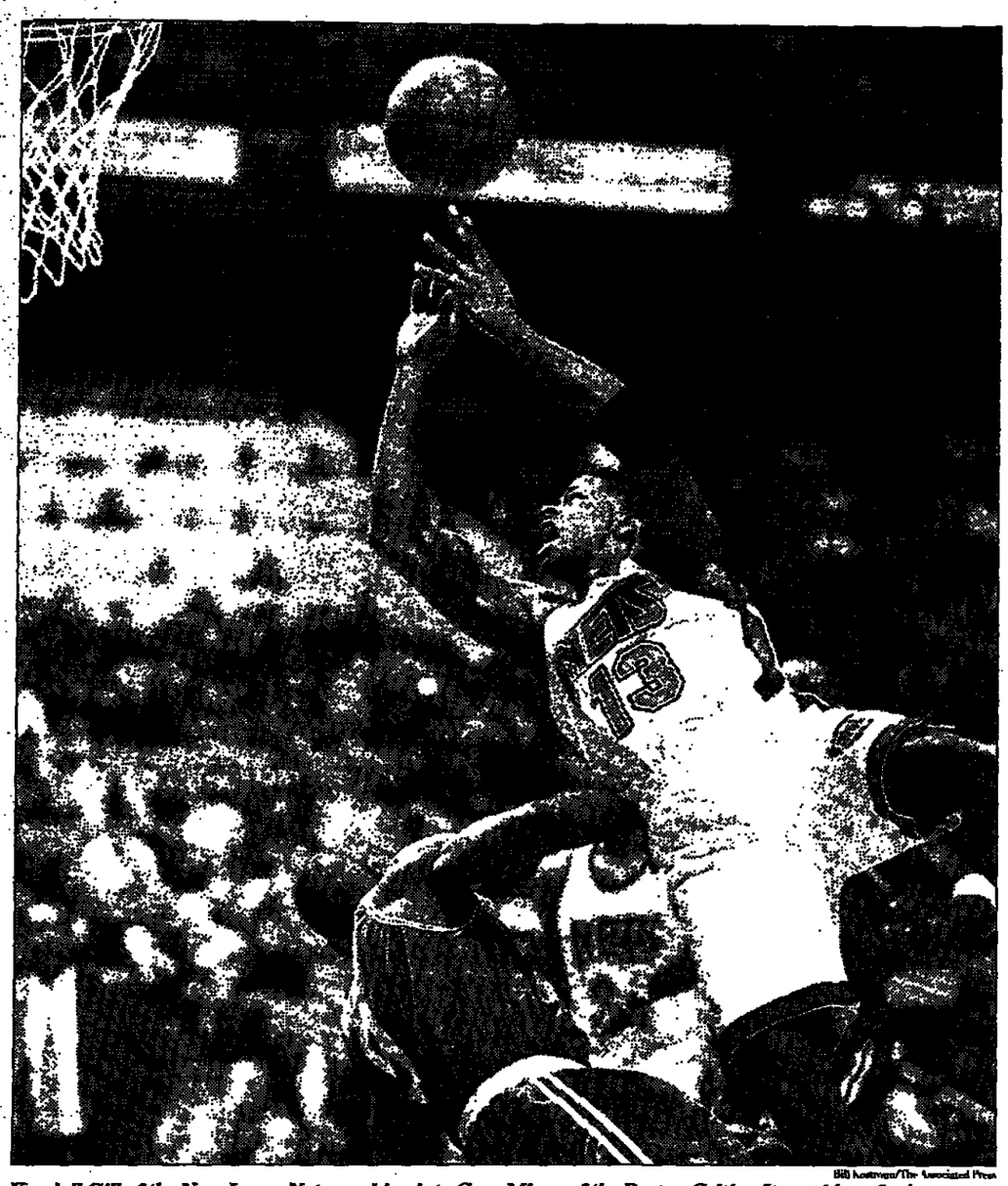
Dominique Wilkins added 24 points for the Spurs, who opened the third quarter with a 13-5 run that gave them a 60-49 lead. David Robinson had 12 points and 10 rebounds for the Spurs, while Will Perdue added 10 points and 12 rebounds.

Heat 86, Rockets 68 Miami held undermanned Houston to its record low point total to win its 11th straight road game. Voshon Lenard scored 22 points for the Heat, which limited the NBA's top scoring team to eight points in the fourth quarter.

The Rockets played without two stars, Clyde Drexler and Charles Barkley, both serving suspensions. Houston made only 23 of 71 shots from the field.

Bucks 103, Magic 85 In Milwaukee, Glenn Robinson had 24 points and a season-high 13 rebounds as the Bucks took control early and beat Orlando.

Rookie guard Ray Allen, who finished with 16 points, gave the Bucks a 91-72 lead with his second 3-pointer of the game with 7:10 left.



Bill Kostroun/The Associated Press

Kendall Gill of the New Jersey Nets crashing into Greg Minor of the Boston Celtics. It cost him a foul.

Stolen Puck Gives Sabres A 3-2 Victory

The Associated Press

Buffalo's Mike Peca stole the puck from Ottawa's Janne Laukkanen and scored unassisted at 8:32 of the third period to lift the Sabres to a 3-2 victory in Ottawa.

The Sabres, who have been outshot in all but three of their 34 games, got 27 saves Saturday from Dominik Hasek for their fourth straight victory.

Steve Duchesne thought he had tied

NHL Roundup

the score for Ottawa with 46 seconds left, but his goal was disallowed because two of his teammates were in Hasek's crease.

The Senators dominated the opening minutes and took a 1-0 lead on Laukkanen's power-play goal at 1:52.

Donald Audette responded for Buffalo at 6:31, faking a shot and firing the puck past Ottawa's goalkeeper, Damian Rhodes. Brian Holzinger's 11th goal of the season gave Buffalo a 2-1 lead at 8:38 before Ottawa tied it on Denny Lambert's goal at 8:36 of the second period.

Whalers 6, Lightning 5 Robert Kron scored 2:11 into overtime to give Hartford a home victory over Tampa Bay. The Whalers remained unbeaten in eight overtime games this season.

Penguins 3, Sharks 1 In Pittsburgh, Mario Lemieux scored a goal and set up J.J. Daigneault's game-winner in the third period as the Penguins beat San Jose to bring their streak 10-2-2.

Rangers 3, Canadiens 2 Luc Robitaille scored off Wayne Gretzky's behind-the-net pass 42 seconds into overtime, giving the streaking New York Rangers a victory in Montreal. Mike Richter stopped 27 shots as New York improved to 9-1-1 in its last 11 games.

Flyers 4, Blues 0 Ron Hextall made 24 saves and the Philadelphia Flyers extended their unbeaten streak to 10 games with their fourth straight shutout over slumping St. Louis.

Bruins 4, Capitals 3 In Boston, Rob DiMaio scored his second goal of the game with 56 seconds left as Boston extended its winning streak to a season-best three games. The game was tied 3-3 when Adam Oates backhanded the puck to Jozef Stumpel, who put a shot on goal. The rebound came out to DiMaio, who slid it under a diving Jim Carey to give Boston the victory.

Stars 3, Islanders 2 Joe Nieuwendyk's goal with 1:45 left gave Dallas its fourth straight victory, all on the road. Derek Armstrong tied the game with 4:41 remaining, sending a rebound past goalie Andy Moog. Marty McInnis scored the other goal for the Islanders.

Anxious Colleges Go Bowling for Dollars

Swimmers and Shot Putters Depend on Football Teams Cashing In

By Anthony Cotton
Washington Post Service

ACCORDING to Athletic Director Debbie Yow, Nov. 16 was the date of the University of Maryland's "biggest game of the year," even though the Terrapins' football team didn't play that day. Instead, Yow and three of her assistants gathered in her office to watch another contest taking place about 75 miles away in Charlottesville.

There, Virginia was playing North Carolina in a contest the Cavaliers would win, 20-17. Although they weren't certain at the time, Yow and her staff knew the Tar Heels' loss was likely to be just as damaging as any Maryland has suffered in recent seasons.

"That game cost us about $850,000-$900,000," Yow said. "It's strange watching a football game and thinking about your men's swim team or your golf team or track and field but that's what I was doing. It was a horrible night — that money certainly would have helped."

While Florida State and Arizona State will vie for the title of No. 1 team, university presidents, athletic directors such as Yow and coaches in smaller sports will have their eyes on something else: getting and then spending their share of the approximately $120 million being paid out in 18 postseason bowl games.

Bowl season began last Thursday with the Las Vegas Bowl ($150,000 per team) and continues through the Jan. 2 Sugar Bowl ($8.5 million). However, the games and teams are only the most visible aspect of a system. That has changed from the brokering that used to occur in smoke-filled rooms, but it is still full of intrigue and politics.

It's also about money, not only for the teams on the field but also, in most cases, other members their conferences. Virginia Tech is ostensibly getting $8.5 million for meeting Nebraska in the Orange Bowl on New Year's Eve; in reality, the Hokies will keep $3.5 million, with the rest divided among the other seven members of the Big East Conference.

Top-ranked Florida State, like Maryland, Virginia and North Carolina, is a member of the Atlantic Coast Conference, which shares bowl revenues equally. Virginia's victory Nov. 16 possibly cost North Carolina a spot in the Bowl Alliance — a coalition setting matchups in three major year-end games — the Fiesta, Orange and Sugar Bowls. Had the Tar Heels won and gained an Alliance berth, the ACC would have been $7 million richer — the difference between the $8.5 million paid to Alliance teams and the $1.5 million North Carolina will get for playing in the Gator Bowl.

That $7 million, divided among the nine conference members, would have been the $850,000 Yow spoke of; a hefty windfall for a school trying to eliminate a $7 million operating deficit while maintaining the equality in men's and women's athletic teams mandated by federal law.

"We have so many needs — paying down the debt, supporting the nonrevenue sports, meeting Title IX guidelines," Yow said. "We needed that money."

Notre Dame apparently doesn't need the money. It missed an Alliance berth when it suffered a 23-20 overtime loss to Southern California on Nov. 30. If it couldn't play in one of the three major bowls, the school decided to not play anywhere, passing up spots in lesser-paying games. During the game against USC, Notre Dame missed an extra-point attempt, giving the Trojans the chance to rally. The missed kick has become known as "the $8 million extra point."

'A bowl is not really a money-making proposition until you get into the $3 million range, but it is a reward for the players and coaches.'

"It concerns me that so much is riding on the outcome of a single game; it's definitely something that needs to be looked at," said William Kirwan, the University of Maryland president. "There seems to be something fundamentally wrong if, by winning or losing a single game, a team or a conference could lose a significant amount of money — that doesn't seem like the right way to conduct business."

Brigham Young thought it had done everything right. A member of the Western Athletic Conference, a sprawling league made up of 16 teams covering nine states from Hawaii to Wyoming, the Cougars ended the regular season 13-1 and ranked fifth in the nation. Even so, they were bypassed by the Alliance, which guarantees spots to the winners of the Big East, Big 12, ACC and Southeastern conferences along with two at-large selections.

The Sugar Bowl, using the first two Alliance choices, took Florida State and No. 3 Florida; the Fiesta used one of its picks on Big 12 conference champ Texas and then opted for Penn State from the Big Ten. The Orange took Virginia Tech and then selected Nebraska, also from the Big 12.

Penn State, ranked seventh with a 10-2 record, was the third-place finisher in its conference while Nebraska, which had just lost to Texas in the Big 12 championship game, was also 10-2 and ranked No. 6, one spot behind Brigham Young.

Officials from the Fiesta and Orange bowls said they selected schools that guaranteed the best possible matchup for fans, sponsors and television — none of which placated the Cougars or WAC officials, who said the major conferences conspired with the bowls to keep the bulk of the financial largesse.

Shunned by the Alliance, Brigham Young accepted a bid to the Cotton Bowl, which pays $2 million — a loss of about $400,000 per school. The WAC will divide about $2.75 million in bowl revenues; conversely, the Big Ten will split a pot of about $24 million, and the Big 12 is dividing $21 million.

"A selection of BYU would have put the WAC on the same level as the major conferences; it would have been a year of being in the club," said WAC Commissioner Karl Benson. "Now, all they've done is separate us into haves and have-nots — both financially and perception-wise. There'll be no reason for pollsters to rank our teams high. I'm sure that today there are WAC coaches all over the country trying to convince kids that they can come to our schools and still get a chance to play for the national championship."

Florida has earned more than $16 million from bowl games in the past two years alone. Athletic Director Jeremy Foley said: "The money was put into the pot by the bowls and the television networks so they can choose who they want — those are the rules of the game."

Said Yow: "There is no perfect system of picking the teams, but it's also a business, not a social experiment to try and get the so-called have-not teams involved."

Navy hadn't been to a bowl game since 1981. It finished 8-3 and a candidate for a place in the Aloha Bowl. After some prodding by Navy Athletic Director Jack Lengyl, who pointed out the sizable Navy presence in Hawaii as a way to sell tickets, the game selected the unranked Midshipmen. In the process, the selection committee for the Aloha Bowl bypassed another WAC team, Wyoming, which finished the year with a 10-2 record and the nation's No. 22 ranking, but isn't in any bowl game.

As an independent school, unaffiliated with a conference, Navy gets to keep all of its $750,000 paycheck from the Aloha. It's a good thing, because after sending out an official party of more than 200 players, coaches and athletic department staff for the seven-day trip, the Academy probably will lose some money.

"The airfare alone is close to $300,000," said Lengyl. "But we feel it's necessary for us to play in a bowl; it's not really a money-making proposition until you get into the $3 million range, but it is a reward for the players and coaches and it's a chance for us to show other bowls that we can travel well."



CRICKET A Rare Result p.16 **SKIING** Victory for Bold Von Gruenigen p.16 **FOOTBALL** Bowling for Dollars p.17

TOMORROW: STYLE

Herald International Tribune
SPORTS

WORLD ROUNDUP



Kieran Doherty/Reuters

Peter Shilton saluting Leyton Orient supporters on Sunday.

Shilton Reaches 1,000

SOCCER Peter Shilton on Sunday became the first player in English soccer to make 1,000 league appearances. The 47-year-old former England goalkeeper kept a clean sheet for Leyton Orient in a 2-0 victory over Brighton in the second division. The game drew 10,000, nearly treble the usual attendance at Orient's east London ground. *(Reuters)*

Sweden Wins Cup

HOCKEY Sweden scored twice in the second period to beat Russia, 3-1, and capture the Izvestia Cup tournament Saturday. Russia needed a tie or a victory for its 24th Izvestia title in 29 years. Finland beat the world champion Czech Republic, 5-2, for third place. *(Reuters)*

Local Difficulties

BASEBALL Interleague local matchups are coming to baseball, but they will arrive in some places much quicker than others.

The formal release of baseball's interleague schedule shows that while the New York Mets play at Yankee Stadium from June 16-18 and the Chicago Cubs play the White Sox at Comiskey Park on the same dates, the Yankees won't play at Shea Stadium until 2000. That's also when the White Sox are due to play at Wrigley Field.

In 1987, each AL East division teams will play a three-game home series against each NL East team. The same will happen in the central divisions while each AL West teams will play two road games and one home game against each NL West team.

In 1998, the schedule will be altered so that the interleague games are between teams from different geographical divisions.

The next year the format will change again to accommodate expansion. The owners want to put the Arizona Diamondbacks in the NL and the Tampa Bay Devil Rays in the AL. That will mean each league has an odd number of teams — which is why interleague play was introduced.

• The New York Mets acquired first baseman John Olerud from Toronto along with $5 million — a record cash sum in a baseball trade — for pitcher Robert Person. *(AP)*

Punched Player May Sue

SOCCER Belgian club Aalst has urged Krist Porte to sue Belgium striker Gilles De Bilde. De Bilde punched Porte in the face during a match on Saturday, breaking his nose and eye socket.

De Bilde, who used to play for Aalst, was not sent off. He stood trial last year for assault after head-butting a male nurse and punching another. He attacked the nurses when he was denied access to a hospital room where his father was being treated for a heart attack in 1995. *(Reuters)*

Panthers Clinch Title Against Junior Steelers

Jaguars Win to Make the Playoffs

The Associated Press

The Carolina Panthers clinched the NFC West title on Sunday by beating the Pittsburgh Steelers, 18-14, on three John Kasay field goals, a safety and Kerry Collins' 9-yard touchdown pass to Wesley Walls on their first possession.

But the Pittsburgh backups, who played most of the final three quarters, gave the host Panthers fits. Kordell Stewart, playing quarterback, ran 80 yards for a touchdown in the second quarter. Then he drove Pittsburgh into

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scoring position three times in the final quarter, only to be turned away by a Carolina defense that allowed just 56 second-half points all season.

The two most serious threats came late. First, the Steelers' Ernie Mills dropped a fourth-down pass in the end zone with 3:54 left. Then Chad Cota intercepted Stewart with 29 seconds left on a pass from the 8.

It not only was the first division title for a second-year team, but just the third time in 14 years that San Francisco has failed to win the NFC West. The Panthers (12-4) earned it by beating the 49ers twice to ensure they got the tiebreaker against the Niners, whose record was 11-4 going into Monday night's game with Detroit.

The Panthers scored on their opening drive, going 58 yards in 10 plays. They made it 9-0 when Mike Tomczak, who played a quarter and a half at quarterback for the Steelers, was called for grounding in the end zone, a safety.

But Pittsburgh (10-6), the AFC's third playoff seed, struck for two touchdowns during a 2:25 span in the second quarter.

Jaguars 19, Falcons 17 Morten Andersen, one of the best kickers in NFL history, missed a 30-yard field goal with four seconds left, giving the host Jaguars a victory over Atlanta. The triumph, coupled with Buffalo's victory over Kansas City, made the Jaguars the second expansion team in the playoffs.

Bills 20, Chiefs 9 In a win-or-go-home game, Buffalo earned a playoff berth and visiting Kansas City failed to reach the postseason for the first time in the 1990s. The Bills' Jim Kelly threw 4-yard touchdown passes to Tony Cline and Quinn Early in the fourth quarter.

Steve Christie kicked field goals of 41 and 42 yards for the Bills, who reached the playoffs for the sixth time in the 1990s. Buffalo had lost its three previous games, after a 9-3 start.

Packers 38, Vikings 10 In Green Bay, Brett Favre's three touchdown passes broke his own NFC record and sparked the Packers to a rout of the Vikings. Improving to 17-0 in cold-weather games, Favre gave Green Bay its 16th straight victory at Lambeau Field, where the Packers have never lost a playoff game.

The Packers (13-3), whose season ended at Dallas the past three years, will play all their playoff games at Lambeau, where they've won 26 of their last 27.

Eagles 29, Cardinals 19 The Eagles' defense got a touchdown, an interception and four sacks, and Gary Anderson kicked five field goals as host Philadelphia survived a late rally to beat the Cardinals.

Defensive ends Mike Mamula and William Fuller made the biggest plays, as the Eagles limited the Cardinals, ranked eighth in the NFL, to Kevin Butler's two field goals and a fourth-quarter touchdown.

For the second season in a row under coach Ray Rhodes, the Eagles finished the regular season 10-6. They will play at San Francisco in a wild-card game next Sunday.

Oilers 24, Ravens 21 Steve McNair threw for one touchdown and ran for another as the Oilers won a sixth road game for the first time in franchise history, defeating the Ravens, McNair, playing in place of Chris Chandler, led Houston to a 10-point halftime lead, then made it 24-7 with a 24-yard touchdown run with 1:19 left in the third quarter. He was 19-for-24 for 238 yards. Baltimore's Vinny Testaverde, who was 23-for-32 for 307 yards, became the eighth quarterback in NFL history to pass for 4,000 yards and throw at least 30 touchdown passes in a season.

Bucs 34, Bears 19 Tampa Bay gained a franchise-record fifth consecutive home victory. It won five of seven games but still finished 6-10 for its 14th consecutive non-winning season.

Chicago, meanwhile, set a NFL record for consecutive regular-season road losses in December and January. The Bears have lost 18 straight since 1988, surpassing the previous mark of 17 established by Tampa Bay from 1982-92.

Bengals 31, Colts 24 With a wild-card berth all but assured, the Colts went out and blew home-field advantage for the first playoff game.

Jeff Blake threw a pair of fourth-quarter touchdown passes, leading the host Bengals to a victory. The Colts still clinched a wild-card berth when Buffalo beat Kansas City. Indianapolis will play at Pittsburgh next weekend, not at home as it had hoped.

Dolphins 31, Jets 28 Dan Marino threw for three touchdowns and Karim Abdul-Jabbar went over 1,000 yards rushing as the Dolphins beat the host Jets. The victory allowed Miami, which had hopes of bigger things in its first season under coach Jimmy Johnson, to finish 8-8. The loss dropped the Jets to 1-15.

Marino threw for 262 yards and hit O.J. McDuffie for a 1-yard score, Fred Barnett on a 33-yarder and Randal Hill for 50 yards. Abdul-Jabbar ran for 152 yards on 30 carries to reach 1,116 for the season and scored on a 17-yard run.

Patriots 23, Giants 22 After embracing the Giants' coach, Dan Reeves, at midfield, Patriots' coach Bill Parcells hustled to the New England locker room for an emotional celebration after his team secured a first-round playoff bye by rallying from a 22-0 halftime deficit to beat New York on Saturday.

Drew Bledsoe capped the sensational comeback for New England (11-5) by throwing a 13-yard touchdown pass to Ben Coates on a fourth-and-7 play with 1:23 to go give the Patriots their eighth victory in 10 games.

■ Rams Fire Brooks as Coach

One day after the St. Louis Rams finished their season with a comeback victory over the New Orleans Saints, coach Rich Brooks was fired. The Rams were 6-10 this season after going 7-9 in Brooks's first season in 1995.

Brooks started his rookie year at 5-1. He proclaimed his team a playoff contender in training camp each season.

On Saturday in St. Louis, the Rams awoke from a sluggish start to beat the New Orleans Saints, 14-13. Eddie Kennison caught a 15-yard touchdown pass from backup quarterback Jamie Martin with 5:30 to go as the Rams, who had trailed 10-0 at the half and looked dispirited in the process, rallied for the victory.



AP

Kevin Greene, a Carolina linebacker, signaling for a safety after forcing one against Pittsburgh.



Joe Giza/Reuters

Vinny Testaverde, the Baltimore Ravens quarterback, fighting off Steve Jackson, a Houston cornerback.

Villa Brings House Down on Dons

Former Pupil Gets the Better of Sacchi as Parma Beats Milan

Reuters

Aston Villa ended Wimbledon's 19-match unbeaten run Sunday with a crushing 5-0 victory. Strikers Dwight Yorke and Savo Milosevic terrorized visiting Wimbledon and scored two goals each to lift it into fourth place in the English premier league.

Neither goalkeeper had a shot to save in the opening half hour. But once Yorke broke the deadlock Villa overwhelmed the Dons.

In the 38th minute, Yorke seized a poor back pass by Kenny Cunningham to give Villa the lead. Four minutes later Milosevic raced clear to clip the ball wide of goalkeeper Neil Sullivan.

Villa increased its lead in the 61st minute. A close-range shot from Mi-

SOCCER ROUNDUP

losevic was well saved by Sullivan, but Ian Taylor headed home the rebound.

With 15 minutes remaining Milosevic added the fourth when his shot deflected off a defender and flew into the opposite corner of the net.

Four minutes from the end of the game, Yorke deflected a low cross from substitute Sasa Curcic into the net for his 11th goal in the last 12 games.

On Saturday, Norwegian Alf-Inge Haaland turned the English premier league upside down as struggling Nottingham Forest received a seasonal gift from Arsenal's Ian Wright.

Forest was under new management. Stuart Pearce, the club captain, had agreed to run the last-place team following the resignation of manager Frank Clark. Forest seemed to heading for another defeat when Wright put Arsenal 1-0 ahead in the 64th minute.

But Haaland equalized for Forest within three minutes. Wright was then dismissed for violent conduct and Haaland swept in a second goal in the 89th minute to secure a 2-1 victory that prevented the Londoners from returning to the top of the table.

Wright was sent off after an off-the-ball clash involving Nicola Jerkan, his fiery temper having already surfaced in the first-half when he barged his teammate Paul Merson in disgust after an attack broke down.

Pearce hastened Wright on his way to the dressing-room with a few words.

"I told him he'd been a little bit silly and he basically agreed with me," said Pearce.

ITALY Parma coach Carlo Ancelotti, the former AC Milan player and deputy manager of Italy's national side, was Arrigo Sacchi's student.

On Sunday, pupil turned teacher as Parma beat Sacchi's Milan, 1-0, on Mario Stanic's first-half goal.

It Sacchi's first league defeat since he resigned as national team manager and returned to Milan.

To add injury to insult, Paolo Maldini suffered a fractured cheek bone from a flying elbow and George Weah limped off with a twisted ankle that is expected to keep him out for 45 days.

But Milan did not lose much ground on the Serie A pacemakers. Second-placed Vicenza fell to two goals from Sampdoria's Vincenzo Montella. Inter Milan tied 1-1 at lowly Reggiana and Juventus tied 1-1 at Piacenza.

Juventus, who had midfielder Alessio Tacchinardi sent-off, led through an own-goal from Settimio Lucci until five minutes from time when Daniele Delli Carri's equalizer halted its run of four successive league wins.

Parma had not won in two months and lay fifth from bottom of the division, but it dominated the first-half and defender Stanic headed it into the lead in the 45th minute.

After the break Milan defender Alessandro Costacurta dismissed — his second red card in successive games.

Milan rarely looked like scoring as Parma used the pressing tactics long preached by Sacchi to keep the home side on the defensive.

At Reggiana, England's Paul Ince was sent off for the second time this season as Inter narrowly avoided defeat to the club propping up the rest of the table.

The visitors needed a 64th minute equalizer from Youri Djorkaeff, his sixth goal of the season, to cancel out Domingos Pacheo's 42d minute opener.

Ince was the third player after teammate Marco Branca and Reggiana's Giordano Caini were sent off.

SPAIN Although Barcelona closed in on Spanish league leaders Real Madrid on Sunday with a scrappy 1-0 home victory over Celta Vigo, the fans at the Nou Camp were not happy. Even Ronaldo was jeered.

Barcelona and Deportivo Coruna, which tied 1-1 at Sporting Gijon, trail Real by two points. Barcelona is second on goal difference. Real Madrid tied 1-1 in Valladolid on Saturday.

Some observers had predicted more serious demonstrations at the Nou Camp, home of Barcelona, after a week of dressing room upheavals. Even so, fans became unhappy when captain Gheorghe Popescu missed a first-half penalty. A goal by Miguel Angel Nadal sealed the points.

There were also unhappy supporters at Zaragoza — which is languishing in the relegation zone after losing 2-0 to Racing Santander — and Atletico Madrid, where followers carried banners criticizing media treatment of their team. The Spanish champion fought back from 2-0 down to tie 2-2 with Real Sociedad.

NETHERLANDS Wim Jonk and Luc Nilis scored Sunday as PSV Eindhoven beat Ajax 2-0 in Amsterdam. The victory kept PSV top, three points ahead of Feyenoord, heading into the winter break.

Jonk opened the scoring just before halftime, and leading marksman Luc Nilis scored his 15th goal of the season in the final seconds.

Defender Kofi Mensah became the 28th player to appear for injury-hit Ajax this season. Ajax's injury jinx struck again 10 minutes into the second half when Mario Melchiot went off.

Marcio Santos replaced him but was sent off a minute later after a foul on Nilis.

FRANCE French league leaders Monaco beat Lens, 3-1, to go into the league winter recess with a four-point lead over Paris Saint-Germain. PSG was held 1-1 by Montpellier, the Parisians' third home game without a victory.

WORLD CUP Claudia Reyna's goal in the 48th minute Saturday gave the United States a 2-2 tie with Guatemala in its regional World Cup qualifying game. The United States advances to the final qualifying round while Guatemala was eliminated from competition for a spot in France in 1998.

3d Asian Cup For the Saudis

Reuters

ABU DHABI — Saudi Arabia played with 10 men for the last 34 minutes but held on to a scoreless draw after extra time in the Asian Cup final and then clinched the title for the third time by beating the host, the United Arab Emirates, 4-2, on penalties.

Khalid Muwalid scored the crucial penalty to silence most of the 60,000 spectators at Abu Dhabi's stadium. The fans had just watched in horror as their hero, Hassan Ahmed, hit a spot kick against a post.

Both goalkeepers had earlier saved a penalty shot each.

Saudi Arabia, which won the title in 1984 and 1988 and lost in the final four years ago, equaled Iran's record of three victories in the competition.

The Saudi team won despite having its 19-year-old defenseman Hussain Sulaimani sent off in the 86th minute for an intentional handball.

The Saudis defended well to keep the Emirates at bay in extra time to force the shoot-out.

• The Asian Football Confederation announced that Lebanon would be host to the 12th Asian Cup in the year 2000.



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